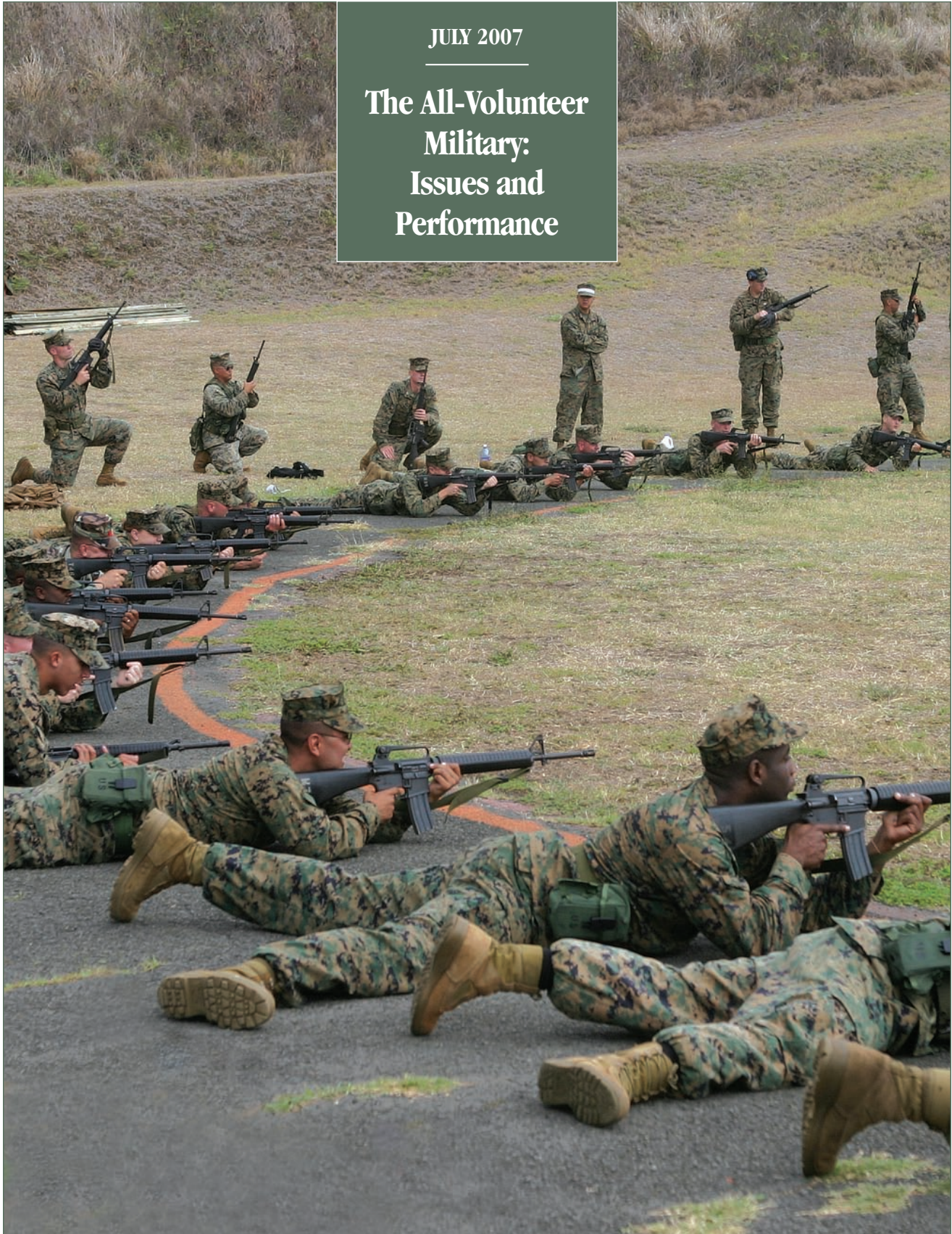


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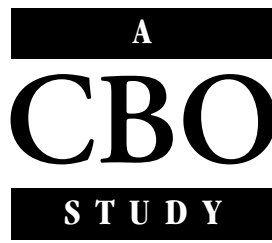
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**CBO**  
STUDY

JULY 2007

**The All-Volunteer  
Military:  
Issues and  
Performance**



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# **The All-Volunteer Military: Issues and Performance**

July 2007

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## Notes

In general, the years referred to in this study are federal fiscal years, unless otherwise indicated. In the section on the history of conscription, however, the years referred to are calendar years.

Numbers in the text and tables may not add up to totals because of rounding.

The cover photo shows marines preparing for a firing drill at Marine Corps Base Hawaii, Kaneohe Bay, in 2005. (Photo by Lance Corporal Roger L. Nelson.)

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## Preface

**T**he U.S. military is currently engaged in its largest and longest operations since the Vietnam War. The deployments associated with those operations have raised concerns about the armed forces' ability to recruit and retain the personnel they need to carry out those missions. Some observers have also voiced concern that not all segments of U.S. society are fully participating in the fighting. To increase the size of the military and to ensure that it broadly represents the populace, some people have suggested reinstating a military draft.

This Congressional Budget Office (CBO) study—prepared at the request of the Chairman of the Defense Subcommittee of the House Committee on Appropriations—considers some of the arguments made for and against the draft before or since it was replaced by the all-volunteer force (AVF) in 1973. The study also reviews some performance trends of the AVF since its inception and discusses possible effects of returning to a draft. In keeping with CBO's mandate to provide objective, impartial analysis, this study makes no recommendations.

Heidi Golding and Adebayo Adedeji of CBO's National Security Division wrote the report under the supervision of J. Michael Gilmore and Matthew S. Goldberg. Cary Elliott (formerly of CBO), Matthew Schmit, Victoria Liu, and Jason Wheelock contributed to the analysis. Ralph Smith, Mark Hadley, Arlene Holen, Sarah Jennings, and Donald Marron of CBO provided helpful comments, as did Robert L. Goldich and Paul F. Hogan. (The assistance of those external reviewers implies no responsibility for the final product, which rests solely with CBO.)

Christian Howlett edited the study; Loretta Lettner and Christine Bogusz proofread it. Cindy Cleveland produced drafts of the manuscript and the tables. Maureen Costantino prepared the report for publication and designed the cover. Lenny Skutnik printed the initial copies, Linda Schimmel coordinated the print distribution, and Simone Thomas prepared the electronic version for CBO's Web site ([www.cbo.gov](http://www.cbo.gov)).



Peter R. Orszag  
Director

July 2007





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## Summary

**S**ince the terrorist attacks of September 11, 2001, military operations in Afghanistan and Iraq have required substantial increases in the number of U.S. service members deployed and the frequency with which units are sent overseas. Through December 2006, over 1 million active-duty personnel and 400,000 reserve personnel had been deployed to those theaters. To maintain the forces necessary to conduct those operations, the military must be able to recruit significant numbers of volunteers—in fiscal year 2006, its target was almost 200,000 active-duty recruits. However, all three components of the Army (the active Army, the Army National Guard, and the Army Reserve) have had trouble achieving their recruiting goals in one or more recent years, although they were able to meet or nearly meet their targets for 2006. Those deployments and recruiting problems have raised the following concerns among decisionmakers, military analysts, and other observers:

- That the armed forces will not have enough troops available to accomplish their missions,
- That military personnel and their families are experiencing significant hardships that the rest of the U.S. population is not sharing, or
- That less-affluent people are more likely than other groups to serve in those operations.

Although the Department of Defense (DoD) has stated its commitment to maintaining the current all-volunteer force (AVF), others have questioned the viability of such a force in light of the current strains on the military. Some observers have called for reinstituting a military draft as a way to alleviate those strains and to spread the demands of war more evenly throughout society.

To shed light on the current discussion, this study by the Congressional Budget Office (CBO) examines various

issues surrounding the choice between a draft system and an all-volunteer force. It describes the history of conscription in the United States and reviews some of the arguments made for and against the draft, either now or since the draft was last used, during the Vietnam War. The analysis also looks at trends in the AVF since its inception in 1973—particularly the quality of recruits and the average experience level and demographic composition of the force—to see whether predictions about a volunteer military have proved true.<sup>1</sup> The study concludes by discussing the logistics of implementing a new draft system, the potential effects on the structure of the armed forces, and other considerations.

### **Possible Pros and Cons of a Draft and Lessons from the All-Volunteer Force**

Many of the arguments heard today for or against a draft were articulated earlier, especially in the Vietnam era. In some people's view, the most powerful arguments center on the roles of the government and the armed forces and on the rights and responsibilities of U.S. citizens. One of the primary rationales for the draft can be put simply: Service in defense of the country is a fundamental responsibility of citizenship. Citizens enjoy protections provided by the government; in turn, the government may require them to contribute to those protections. That view was articulated by such figures as George Washington and justices of the Supreme Court of 1918. Others, however, including President Ronald Reagan and economist Milton Friedman, have stated that a draft is at odds with fundamental democratic or moral principles. Some observers have equated it with involuntary

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1. This study focuses on the active component of the military, partly because if a draft was reinstated under current law, no one would be drafted into the reserves (as was also the case during the Vietnam War). Data describing the draft force before 1973 refer only to the active component.

servitude. Those differences of opinion cannot be resolved through empirical study of the issue.

Other arguments focus on the potential consequences of using a draft or an all-volunteer force to procure military personnel. Specifically, observers have expressed concerns about the military effectiveness, costs, economic efficiency, and social-justice implications of the two choices.

### **Effectiveness of the Armed Forces**

The military's success in completing its missions rests partly on its ability to get and keep intelligent, capable individuals while maintaining required force levels. Research has consistently linked high scores on the Armed Forces Qualification Test (AFQT) and length of time in the service to better performance of military jobs. Whether recruits have earned a high school diploma helps predict whether they will complete their initial term of enlistment and thus affects the average experience level of the force.

Critics of the AVF have raised questions about the likelihood that the military could attract enough volunteers in peacetime and wartime to meet its requirements and about the quality of those volunteers. They have argued that many people do not want to join the military and that the quality of those who did join would be lower (because they would have fewer skills valuable in the civilian sector) than the quality available through a draft. Proponents of the AVF have countered that historically, many people have volunteered for military service during both peace and war. They argue that others were discouraged from serving during the draft era because military compensation was set at below-market levels.

Since the all-volunteer force began, the military has sometimes had trouble recruiting and retaining sufficient volunteers in peacetime, and their quality has varied. However, the AVF has attracted a greater proportion of recruits with high school diplomas or with AFQT scores at or above the median than in the youth population as a whole or than the services obtained through the draft during the Vietnam War. In 2006, 91 percent of recruits were high school graduates, compared with 80 percent of U.S. residents ages 18 to 24. Moreover, 69 percent of recruits scored at or above the 50th percentile (relative to the overall U.S. youth population) on the qualification test. Experience levels in the military have also risen during the years of the AVF, as initial enlistment periods have

grown longer, on average, and retention rates have increased.

### **Costs and Economic Efficiency**

Supporters have argued that a draft force costs less than an AVF because the military can pay lower wages when it need not try to attract volunteers. The higher personnel costs of an AVF, they contend, could crowd out necessary long-term defense spending on weapons, infrastructure, and other items.

Other observers have argued, however, that the full cost of a draft force is higher than the budgetary costs. In effect, the draft imposed an in-kind tax on inductees in that the compensation they received was lower than market wages and generally lower than what they would have required to enlist voluntarily.<sup>2</sup> Those costs—as well as any expenses incurred from people's efforts to avoid the draft—would have to be added to budgetary costs to calculate the full cost of military personnel under a draft system. According to proponents of the AVF, the full cost is greater with a draft than with a volunteer force. AVF supporters have also argued that because military personnel appear less expensive in a draft force than their true cost, conscripts are substituted for other resources—and thus are overused.

There is evidence that budgetary costs have been higher under the AVF than under the Vietnam-era draft system. For example, basic pay for less-experienced service members nearly doubled between 1971 (two years before the AVF began) and 1975 (two years after), adjusted for inflation. A report by the former General Accounting Office estimated that the move to an all-volunteer force added about \$3 billion per year to the military's costs in 1974 dollars (more than \$10 billion in 2006 dollars), or about 11 percent of DoD's spending on its manpower budget accounts in 1974.<sup>3</sup> To CBO's knowledge, no studies have retrospectively examined the total economic cost of the draft. However, the extra \$10 billion paid to service members could also be considered a lower-bound estimate of the in-kind tax on draftees.

### **Representativeness of the Military**

Partly because combat entails a higher risk of injury and death than peacetime military service or most civilian

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2. The same in-kind tax was imposed on people who volunteered for a particular branch of the service to avoid being drafted into a branch that was more likely to see ground combat.

employment does, the nation has grappled with the issue of who should fight its wars. Some people believe that the best way to assign that risk to members of society is through a draft system, which can compel citizens from geographically, racially, and economically diverse backgrounds to serve in the military. Through the years, some proponents of the draft have stated that the AVF would create inequities because low-income people or racial minorities would be more likely to join the armed forces than other groups and thus would disproportionately bear the risks associated with military service. Supporters of the AVF have countered that the higher wages associated with a volunteer force—as well as other factors, such as patriotism and a sense of duty—would attract a broad set of volunteers. In that view, if concentrations of certain economic or racial groups did occur in the military, they would result from the free choice of those individuals.

The current all-volunteer force is representative of society along many dimensions—although, partly because of the unique demands of military service, it is younger than the population as a whole and has a smaller proportion of women. The typical recruit is about 18 years old, and nearly half of the active-duty force is between the ages of 17 and 24. By comparison, 17- to 24-year-olds make up less than one-fifth of civilians of prime working age. Women were barred from constituting more than 2 percent of the military until 1967 and continue to be excluded from some occupations and assignments. They now make up 14 percent of the enlisted force, compared with 50 percent civilians ages 17 to 49.

Members of the armed forces are racially and ethnically diverse. Black service members represent the largest minority group in the military. Although their percentage has varied during the years of the AVF, they composed 13 percent of active-duty enlisted recruits in 2005 and 19 percent of the entire active-duty enlisted force in 2006, compared with 14 percent of the 17- to 49-year-

old U.S. population.<sup>4</sup> Hispanics, by contrast, are less than proportionally represented in the military. In 2006, they constituted 11 percent of the enlisted force, versus 14 percent of civilians ages 17 to 49.

To explore whether those groups bear a disproportionate share of combat and fatalities, CBO investigated the racial and ethnic makeup of combat occupations in the military, of deployments in support of operations in Iraq and Afghanistan, and of fatalities associated with those operations. CBO found that white service members have a higher representation in combat occupations (75 percent) than in the force as a whole (68 percent), whereas black service members have a lower representation in those occupations (13 percent) than in the overall force (19 percent).<sup>5</sup> The racial and ethnic representation of personnel deployed to Iraq and Afghanistan was similar to that of the overall enlisted force, as of December 2006. Data on fatalities indicate that minorities are not being killed in those operations at greater rates than their representation in the force. Rather, fatalities of white service members have been higher than their representation in the force (76 percent of deaths in those two theaters through December 2006).

The socioeconomic backgrounds of service members have been less well documented than other characteristics because data on the household income of recruits before they joined the military are sparse. CBO's review of previous studies and some new tabulations suggest that people from all income groups are represented in the armed forces.<sup>6</sup> However, CBO's analysis of data from 2000 indicate that youths from the very highest and lowest income families may be somewhat less likely to serve in the enlisted ranks than other groups are.

## Implementation Issues

The policies used to implement a draft or an all-volunteer force largely determine whether either system will provide

3. General Accounting Office (now the Government Accountability Office), *Additional Costs of the All-Volunteer Force*, FPCD-78-11 (February 1978). The way to measure the additional budgetary cost attributable to an AVF is subject to debate. At one extreme, some analysts might attribute any changes in personnel costs since 1973 to the AVF because those costs would not have to be paid under a system of conscription. At the other extreme, analysts might argue that a draft system should pay market wages and that the cost of doing so should not be ascribed to the AVF. The General Accounting Office's study attributed the alignment of military pay with market wages to the inception of the AVF.

4. The percentage of black enlisted personnel has consistently been higher in the Army than in the other services. In 2006, black soldiers made up 29 percent of the Army's enlisted force.

5. Both the white and nonwhite proportions in the force may be understated by a few percentage points because the race of about 6 percent of service members is unknown.

6. Those studies all focus on enlisted personnel. None of the studies examine the socioeconomic backgrounds of people who join the officer corps, apparently because of data limitations.

well-qualified recruits who are representative of the nation's youth. Those policies include medical, moral, and quality standards for new service members and compensation levels for the entire force. Under a draft system, the rules guiding who is inducted and how (for example, through a random lottery or through local draft boards and a system of exemptions) also influence the effectiveness and quality of the force.

A draft today could—and most likely would—look very different from that of the Vietnam era. Under the current law governing selective service (the Military Selective Service Act of 1940, as amended), a new draft would be conducted by random lottery, a system that was not adopted until later in the Vietnam War. However, a draft would have trouble producing a force with the same level of experience as a volunteer force. People would probably be drafted for a shorter period than the four- to six-year obligation typical in the AVF, and most draftees would be likely to leave after their initial obligation. The demographics of a draft force, except for age, might be similar to those of the current force, depending on the rules used to implement the draft.

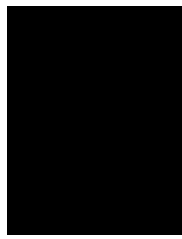
To illustrate possible changes in the structure of the armed forces, CBO calculated the accessions and continuation rates that would allow the active Army to achieve its desired size of 547,400 personnel by 2012 under either an all-volunteer force or a mix of volunteers and conscripts.<sup>7</sup> (That end-strength goal for 2012 was laid out in DoD's 2008 Future Years Defense Program.)<sup>8</sup> The Army had 73,400 accessions in 2005 and 80,000 in

2006. Continuation rates were 82.4 percent for the active Army as a whole in 2005 and 84.5 percent in 2006. If future continuation rates dropped to a mix of the 2005 and 2006 levels, the Army would need between 86,000 and 90,000 volunteers each year to meet its end-strength goal. If, at the same time, annual accessions dropped to about 74,000 (roughly the 2005 level), the Army would fall almost 50,000 people short of its end-strength objective in 2012. It could meet that goal by drafting up to 27,000 recruits per year to supplement the 74,000 volunteers. However, that approach would require 14,000 more annual accessions than under an AVF and would reduce the average experience level of the force. Further reductions in volunteers—and consequently a greater reliance on draftees—would increase the total number of accessions required each year and decrease the average length of service.

Depending on how a draft was implemented, it could either allow or require other changes in the way the military operates. One example is the length of deployments. If all of the Army's combat occupations were at least partly filled with draftees serving two-year tours of duty (the obligation specified in the Military Selective Service Act), some of those inductees would be available only for deployments of less than a year because their training time would exceed 12 months, CBO estimates. That would exacerbate problems for the Army, which recently lengthened the typical deployment from 12 months to 15 months. The Army would have to either permit shorter deployments or reduce the training time in those occupations. Implementing a draft might allow for more flexibility in compensation, however. Because the draft would be compulsory, DoD might be able to reduce its budgetary costs by paying less, at least to first-term personnel. Finally, the percentage of women in the force might change under a draft. As currently written, the Military Selective Service Act excludes women from being drafted, although they could continue to volunteer. If lawmakers wanted a new draft to cover women as well as men, they would have to amend that law.

7. Accessions are recruits who sign contracts with the military and report to basic training. Continuation rates measure the proportion of service members who remain in the military over a specific period regardless of the expiration of their contracts. For details of the methodology that CBO used, see Congressional Budget Office, *Recruiting, Retention, and Future Levels of Military Personnel* (October 2006).

8. End strength is the number of personnel on active duty on the last day of the fiscal year.



# The All-Volunteer Military: Issues and Performance

## Introduction

With the ongoing operations in Iraq and Afghanistan, the number of U.S. military personnel deployed overseas has risen substantially in recent years. More than 1 million active-duty personnel had been sent to those theaters through December 2006, with the bulk coming from the Army and Marine Corps. More than half of the current Army has deployed in support of those operations at least once, and 15 percent has deployed to those theaters twice or more. Combat tours in the Army, which had typically lasted for one year for those missions, were recently extended to 15 months.<sup>1</sup>

In addition to active-duty troops, reserve personnel have been mobilized in large numbers—a total of 580,000 reservists had been mobilized through March 2007. Of those, more than 410,000 reservists had deployed to combat operations through December 2006. Before the first Gulf War in the early 1990s, reservists spent an average of one day per year on active duty in support of exercises and operations.<sup>2</sup> In the years before the terrorist attacks of September 11, 2001, that measure rose to about 14 days; since 2003, it has grown to more than 70 days per year, on average.

The services' ability to maintain their force levels in combat operations depends partly on their success in attracting volunteers. In fiscal year 2006, the active components of the military anticipated a need for almost 200,000 recruits. Although the active Army was able to achieve its recruiting goal in 2006, and the Army National Guard and Reserve came within 3 percent of their combined

goal, all three components of the Army have had trouble meeting their recruiting targets in one or more recent years.<sup>3</sup> Several factors have apparently contributed to those difficulties: the number of active Army and Army Reserve recruiters fell in 2003 and most of 2004, with only a partial improvement in 2005; recruiting goals in the active Army and National Guard were raised in 2005 to the highest levels of the decade; potential recruits' civilian opportunities improved as the unemployment rate fell from its most recent peak; and the operations in Afghanistan and Iraq have increased service members' risk of injury and death.

Recruiting problems contributed to a 3 percent decline in the total number of Army personnel in 2005, despite the continuing need for service members in theaters of combat. Army recruiting recovered in 2006 as the service's various components either met or approached their numerical goals, but partly because some aspects of minimum entry qualifications for recruits were lowered. (The Marine Corps, by contrast, has met its recruiting targets and kept its number of personnel at or above authorized levels every year in this decade.)

The prolonged combat in Iraq and Afghanistan, combined with difficulties in Army recruiting, has raised concerns among decisionmakers, military analysts, and others that not enough troops will be available to accomplish the military's missions; that service members and their families are experiencing continued, significant hardships not shared by the rest of the U.S. population; and that less-affluent people are more likely to be serving in those operations than other groups are.

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1. Combat tours in the Marine Corps for those missions usually last for seven months.

2. That measure does not include days spent on active duty for training exercises or drilling.

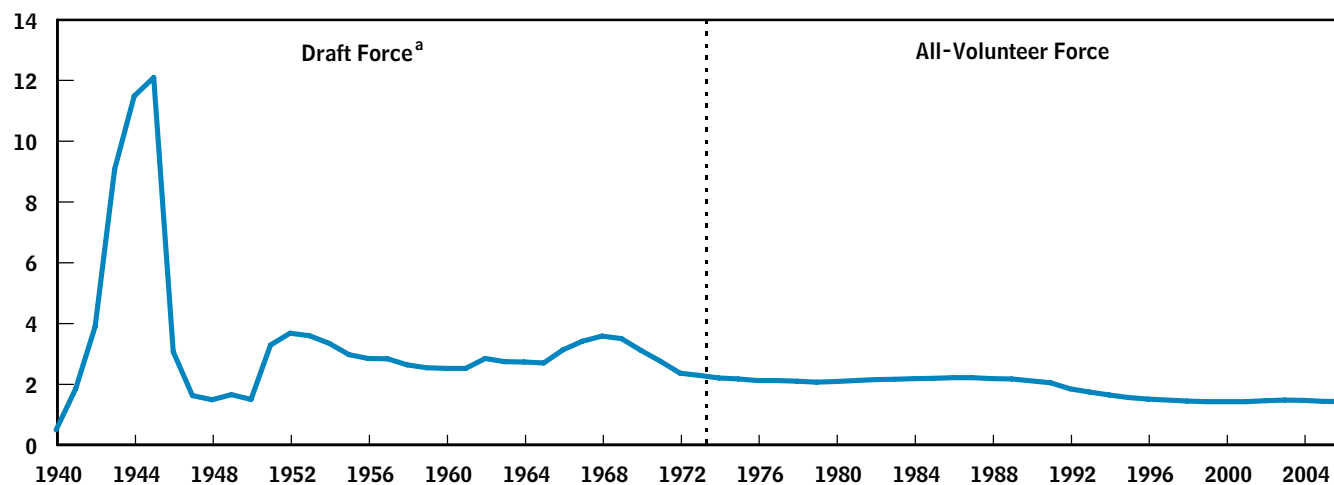
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3. See Congressional Budget Office, *Recruiting, Retention, and Future Levels of Military Personnel* (October 2006).

**Figure 1.**

## End Strength of the Active-Duty Military Under the Draft and the All-Volunteer Force, 1940 to 2006

(Millions of personnel)



Source: Congressional Budget Office based on Department of Defense, Office of the Under Secretary of Defense (Comptroller), *National Defense Budget Estimates for FY 2007* (March 2006), available at [www.dod.mil/comptroller/defbudget/fy2007/fy2007\\_greenbook.pdf](http://www.dod.mil/comptroller/defbudget/fy2007/fy2007_greenbook.pdf); and Department of Defense, Statistical Information Analysis Division, "Military Personnel Statistics," available at <http://siadapp.dmdc.osd.mil/personnel/MILITARY/Miltop.htm>.

Note: End strength is the number of personnel on active duty on the last day of the fiscal year.

a. Authority for the draft expired in 1947 but was reinstated the following year.

The military has stated its commitment to maintaining the all-volunteer force (AVF), which was reinstated in 1973. But some people have questioned the viability of a volunteer force in light of the problems facing the military. Others have called for bringing back a military draft as a way to ease the strains on the armed forces and to spread the demands of war more evenly throughout society.

This study reviews the history of U.S. military drafts and describes the main arguments about the draft made today or since the Vietnam era. The analysis also looks at trends in the quality, composition, and cost of the AVF since 1973 to assess whether experience bears out the predictions made for a volunteer force. Finally, the study discusses the logistics of reinstating a draft, the potential impact on the structure of the armed forces, and other considerations.

### History of Conscription

For most of its history, the United States has maintained an all-volunteer military.<sup>4</sup> At times, however—mainly

during conflicts that required large numbers of people to fight—the nation has relied on a draft to provide soldiers. Men were conscripted during the Revolutionary War (for state militias), the Civil War (on both the Union and Confederate sides), World Wars I and II, the Korean War, and the Vietnam War.

Drafts have also existed in the United States during peacetime. The first was enacted in late 1940 after Germany invaded France and the Low Countries. The draft continued after World War II until the Korean War, with

4. The information in this section comes mainly from Richard V.L. Cooper, *Military Manpower and the All-Volunteer Force*, R-1450-ARPA (Santa Monica, Calif.: RAND Corporation, 1977); George Flynn, *The Draft, 1940–1973* (Lawrence, Kansas: University Press of Kansas, 1993); Gus Lee and Geoffrey Parker, *Ending the Draft—The Story of the All Volunteer Force* (Alexandria, Va.: Human Resources Research Organization, April 1977); President's Commission on an All-Volunteer Armed Force, *Report of the President's Commission on an All-Volunteer Armed Force*, Chapter 13 (February 1970); and Bernard Rostker, *I Want You! The Evolution of the All-Volunteer Force* (Santa Monica, Calif.: RAND Corporation, 2006).

a one-year interruption.<sup>5</sup> The longest peacetime draft, however, was the one between the Korean and Vietnam Wars, when the threat from the Soviet Union prompted the United States to raise the largest peacetime force in its history. During that period, 1953 to 1964, total end strength in the military averaged 2.8 million officers and enlisted personnel (see Figure 1). That force was roughly 10 times the average size of the military in the 1920s and 1930s and about twice the size of the current force.<sup>6</sup>

### How Many Were Drafted?

Even when drafts existed, the U.S. military relied on a mix of conscripts and volunteers. Most men in the Civil War, for example, volunteered for service. Of the 2 million to 3 million men who were called to serve or did serve in the Union Army, only about 50,000 were conscripts. In World War I, by contrast, about 30 percent of U.S. service members were volunteers; the rest were drafted. (Voluntary enlistments were halted in 1917 “so as not to disrupt the orderly flow of individuals through the draft system.”)<sup>7</sup> That draft, though large, was by no means universal: The 2.8 million draftees in World War I represented slightly more than 10 percent of the pool of men ages 18 to 45 who had registered for the draft. In World War II, two-thirds of U.S. forces were draftees. They totaled about 10.1 million of the 45 million men registered.<sup>8</sup> (In December 1942, voluntary enlistments were largely stopped again.)

Numbers of draftees were much smaller in later conflicts. About 1.5 million men were drafted between June 1950 and July 1953 for the Korean War, and 1.9 million were

drafted between August 1964 and March 1973 for the Vietnam War.<sup>9</sup>

Draftees also made up a smaller percentage of the total number of enlisted recruits required by the military during that period. Draftees filled roughly half of the services’ accession requirements during the Korean War, but at the peak of the Vietnam-era draft (1966 through 1969), they accounted for less than half of enlisted recruits without prior service (see Figure 2).<sup>10</sup> Although military pay for new recruits in the Vietnam era was much lower than what most of them could have earned elsewhere, on average, between 40 percent and 60 percent of volunteer accessions during that period are thought to have been true volunteers. Determining the exact number of volunteers in the military during the Vietnam era is difficult, but the President’s Commission on an All-Volunteer Armed Force estimated that almost 40 percent of first-term personnel (about 800,000) and all career personnel (another 1.3 million enlisted personnel and officers) were true volunteers in 1967. Those figures suggest that more than 60 percent of the overall force consisted of true volunteers. The other volunteer accessions during that period were believed to be people who enlisted to avoid being drafted.<sup>11</sup>

### Who Was Drafted?

The existence of a draft did not guarantee that all young men had the same likelihood of serving. For instance, during the Civil War, people in Union states could hire other individuals to take their place in the militia or could pay a fine (known as a commutation fee) to avoid

5. That interruption occurred when the draft was allowed to expire in 1947 but was reinstated in 1948.

6. This study focuses on the active components of the military. If a draft was reinstated under current law, no one would be drafted into the reserves; likewise, in the most recent draft (during the Vietnam War), young men were inducted only into the active forces. At that time, the reserves were composed of true volunteers and people who enlisted to avoid combat in Vietnam. (President Lyndon Johnson explicitly stated in mid-1965 that he would not mobilize the reserve components for the war, and in the succeeding months and years, it became apparent that no such activation would take place.) Data describing the draft force prior to the beginning of the AVF refer only to the active components.

7. Cooper, *Military Manpower and the All-Volunteer Force*, p. 51.

8. See Selective Service System, “History and Records: Induction Statistics” (May 27, 2003), available at [www.sss.gov/induct.htm](http://www.sss.gov/induct.htm).

9. Because neither the President nor the Congress declared the Vietnam War, people sometimes peg the start of that conflict to different dates. CBO considers the start to be in 1964, after the Congress passed the Gulf of Tonkin Resolution that allowed the President “to take all necessary steps, including the use of armed force” to prevent further attacks against the United States. That determination is consistent with certain policies followed by the Department of Veterans Affairs and the Department of Defense. Some people, however, consider 1965, when large numbers of combat forces were deployed to Vietnam, to mark the beginning of the war. CBO pegged the end date to the withdrawal of the last U.S. troops from Vietnam.

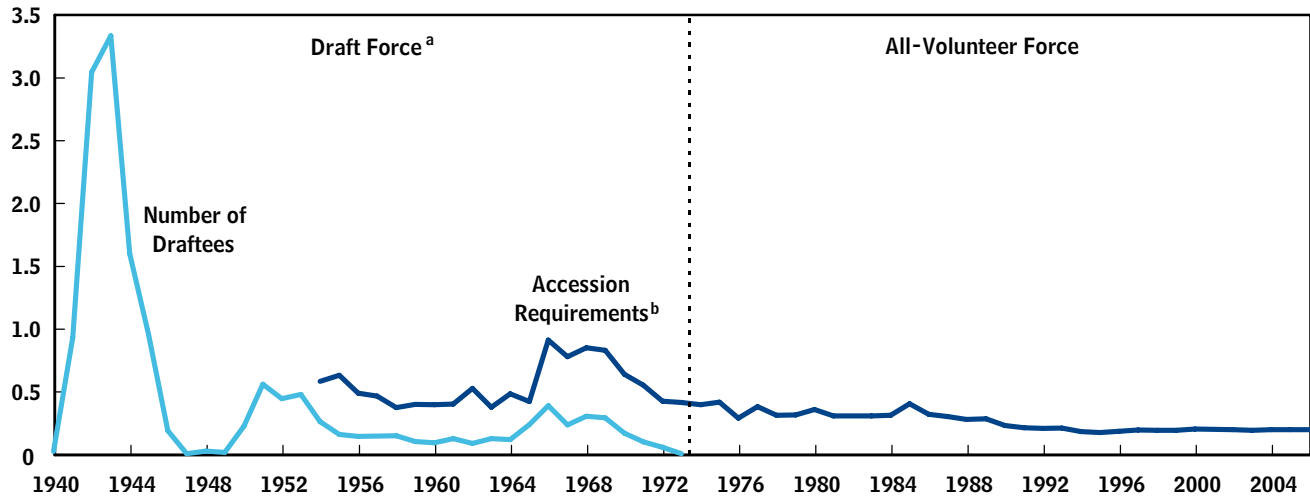
10. Accessions are recruits who sign contracts with the military and report to basic training.

11. Men who enlisted voluntarily in any of the services could not be drafted. Although those enlistees had to serve longer than the two years that draftees were obligated for, they could choose a branch of the service that was unlikely to involve ground combat.

**Figure 2.**

## Annual Number of Draftees and the Military's Total Accession Requirements, 1940 to 2006

(Millions of personnel)



Source: Congressional Budget Office based on Selective Service System, "History and Records: Induction Statistics" (May 27, 2003), available at [www.sss.gov/induct.htm](http://www.sss.gov/induct.htm); and Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), Table D-1, available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05).

Note: The number of personnel drafted annually was smaller during World War I than during World War II: 0.5 million in 1917 and 2.3 million in 1918.

a. Authority for the draft expired in 1947 but was reinstated the following year.

b. The Department of Defense's estimate of how many accessions (recruits who sign contracts with the military and report to basic training) are necessary in a given year to maintain specific force levels. The requirements shown here are for enlisted recruits without prior service.

service. By the end of the Civil War, almost 120,000 of the soldiers who had served in the Union Army were substitutes for draftees. Another 87,000 people avoided service by paying the commutation fee of \$300 (an amount equal to more than half of the average annual family income at the time). Perceptions of unfairness about that system led to criticism, protests, and violence, culminating in four days of draft riots in New York City in 1863, which required 10,000 troops to restore order.

Selection policies in World War I eliminated some of the perceived inequities of the Civil War era. The practices of hiring substitutes and paying commutation fees were abolished. Nevertheless, lower-income and minority men may still have been drafted disproportionately. Upon registering for the draft, people were placed into one of five categories on the basis of their industrial importance. Those in Class I were considered the primary "reservoir of manpower, the drain of which for military duty would

least disturb domestic and economic life of the nation," whereas men classified in the other groups were "deferred as long as possible."<sup>12</sup> Black men were more likely than white men to be categorized as Class I and, given that status, had a higher probability of being drafted. Although black men made up slightly less than 10 percent of registrants, they constituted more than 13 percent of draftees.

The draft lapsed after World War I and was not reinstated until shortly before the United States entered World War II. At the time, the public was split on whether to resume the draft. Some opponents argued that draftees were more likely to be men who were jobless or poorly paid. It is not clear that the prediction held true, however. Draft deferments were more limited during World War II than they had been earlier. Occupational deferments were

12. President's Commission on an All-Volunteer Armed Force, *Studies Prepared for the President's Commission on an All-Volunteer Armed Force*, vol. 2 (November 1970), p. III-1-23.



permitted only for government officials and people in jobs considered necessary for the public health or for industrial needs. College students could defer their service only until the end of the academic year.

In the decades after World War II, annual draft inductions dropped from about 250,000 in 1954 to a low of about 80,000 in 1962. At the same time, the number of men who were potentially eligible for the draft increased. In the seven years from 1958 to 1964, the U.S. male population between the ages of 19 and 25 grew by 50 percent (from 8 million to about 12 million). With a larger pool of potential draftees and smaller draft calls, the proportion of young men who were called to serve decreased. (As the population growth continued, some researchers projected in 1970 that by 1974, the percentage of 26-year-old men who had served or were serving in the military could drop as low as 34 percent, compared with about 70 percent in 1958.)<sup>13</sup>

With the number of military personnel needed declining as a fraction of the eligible population, questions arose in the early 1960s about who should serve or whether the draft should be abolished. Disqualification for health reasons and for poor performance on entry tests continued, and the system of deferments was expanded. For example, in 1963, deferments were extended to fathers. By 1964, almost 30 percent of draft registrants received occupational, educational, or other deferments, up from just 13 percent in 1958.<sup>14</sup>

As the Vietnam War escalated in the mid- and late 1960s, the number of young men who were drafted grew, and opposition to the war and the draft intensified. Concerns about who was called to serve and about the fairness of deferments and exemptions increased. In a 1966 poll, for instance, fewer than half of respondents said the draft was handled fairly in their community.<sup>15</sup> Deferments were available for those who could afford higher education. By 1970, about 10 percent of registrants (or 2.3 million

people) had educational deferments, more than 10 times the percentage in 1960. Because poor or minority men may have had less access to higher education than their peers, they appeared more vulnerable to being drafted. However, those men may have been less likely to meet the Department of Defense's (DoD's) entrance standards and thus less likely to be drafted.<sup>16</sup>

In 1966, President Lyndon Johnson formed the National Advisory Commission on Selective Service to consider the functioning of the Selective Service System (which administered the draft) and alternative systems of national service in light of military requirements, fairness, and other factors. The commission issued a report the following year rejecting an all-volunteer force, recommending that future drafts take place by lottery, and suggesting other changes to the Selective Service System.<sup>17</sup>

In his campaign for the presidency in 1968, Richard Nixon pledged to abolish the draft. After his election, the Congress and the President began modifying the draft system. In 1969, legislation was enacted to permit a draft lottery, and in December of that year, the first draft lottery was conducted—ending the system in which local draft boards had solely determined, on basis of the draft law, who must report for possible induction in the military.<sup>18</sup> In the early 1970s, occupational, agricultural, new-paternity, and new-student deferments were largely eliminated.

### The Lifting of the Draft

Besides altering the draft system, President Nixon chartered the President's Commission on an All-Volunteer Armed Force (also known as the Gates Commission for its chairman, former Secretary of Defense Thomas Gates). The commission was charged with developing a comprehensive plan for eliminating conscription and

13. That 1970 estimate, presented in *Studies Prepared for the President's Commission on an All-Volunteer Armed Force*, vol. 2, p. III-1-2, assumed a military with 2.7 million service members in 1974; the actual number of personnel that year was roughly 2.2 million.

14. Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970*, Part 2 (September 1975), p. 28.

15. Nevertheless, 62 percent of respondents to a 1969 poll thought the draft should be continued even if the war ended, and only 32 percent thought the military should be an all-volunteer force.

16. *Report of the President's Commission on an All-Volunteer Armed Force*, p. 147.

17. National Advisory Commission on Selective Service, *In Pursuit of Equity: Who Serves When Not All Serve?* (February 1967).

18. In the draft lottery, a container was filled with 366 birth dates, and the order in which each date was drawn determined the order in which men were called to report for induction. The first date drawn was September 14, so all registrants born on that date were assigned a lottery number of 1. The lottery continued until all birth dates were drawn. Men who had the lowest numbers (and who were classified as available for military service) were ordered to report for possible induction.

with studying the costs and savings of an all-volunteer force. It was also ordered to examine options to increase the supply of military personnel, including any changes in compensation that might be necessary if an AVF was adopted. Although some commissioners reportedly favored the draft initially, in 1970 the commission published a report unanimously recommending that the nation return to an AVF, coupled with a standby draft that could be put into effect when additional personnel were needed. The report stated:

However necessary conscription may have been in World War II, it has revealed many disadvantages in the past generation. It has been a costly, inequitable, and divisive procedure for recruiting men for the armed forces. It has imposed heavy burdens on a small minority of young men while easing slightly the tax burden on the rest of us. . . . These costs of conscription would have to be borne if they were a necessary price for defending our peace and security. They are intolerable when there is an alternative consistent with our basic national values.<sup>19</sup>

In December 1972, the Selective Service System held its final lottery identifying inductees for the armed forces; on July 1, 1973, legal authority to draft people into the military expired. The requirement that young men register with the Selective Service System was dropped in 1975. However, that requirement was reinstated in 1980 (after the Soviet invasion of Afghanistan) and remains in effect today.<sup>20</sup>

## Some Arguments For and Against the Draft and the All-Volunteer Force

The question of whether a draft would be more desirable than an all-volunteer force has reemerged as operations in Iraq and Afghanistan continue to require substantial numbers of military personnel. Among other arguments, supporters of conscription say that a draft would allow the military to call up large numbers of people quickly. For their part, supporters of the all-volunteer force

maintain that the quality of the military would deteriorate under a draft.

The last time debate about the desirability of the draft was prominent and protracted was during the Vietnam War. Some of the arguments made at that time are similar to ones heard today. This section summarizes the major issues articulated by proponents or opponents of the draft then or more recently.<sup>21</sup> Those issues fall into three main areas: the military's ability to achieve its goals for size and quality, the overall cost of the armed forces, and fairness and sociopolitical considerations. (The next section sheds light on some of those arguments by examining the characteristics of the AVF over the past three decades.)

### Military Effectiveness

The armed services' ability to function effectively depends on many factors. Some critical ones are whether the services can enlist enough personnel at the right times and whether those personnel will be able to perform their jobs efficiently.

**Achieving Force Levels in Peacetime and Wartime.** Proponents of the draft have claimed that in the event of another major national crisis, the all-volunteer force

19. *Report of the President's Commission on an All-Volunteer Armed Force*, pp. 9–10.

20. Registration is mandatory not only for U.S. citizens but also for dual nationals of the United States and other countries and for some noncitizens, such as legal permanent residents and refugees.

21. Many other assertions have been made about both systems of procuring military personnel that CBO did not have room to include here. These references provide further detail: National Advisory Commission on Selective Service, *In Pursuit of Equity*; Richard Nixon, "The All-Volunteer Armed Force," a radio address given on October 17, 1968, reprinted in John Whiteclay Chambers II, *Draftees or Volunteers* (New York: Garland Publishing, 1975); *Report of the President's Commission on an All-Volunteer Armed Force*; National Council to Repeal the Draft, "An All-Volunteer 'Professional' Army?" in Chambers, *Draftees or Volunteers*; Joseph Califano, "Doubts About an All-Volunteer Force," in Martin Anderson, ed., *The Military Draft* (Stanford, Calif.: Hoover Institution Press, 1982); John G. Kester, "The Reasons to Draft," in William Bowman, Roger Little, and G. Thomas Sicilia, eds., *The All-Volunteer Force After a Decade* (Washington, D.C.: Pergamon-Brassey's, 1986); The Newshour with Jim Lehrer, "Debating the Draft," broadcast on April 8, 1999, available at [www.pbs.org/newshour/bb/europe/jan-june99/service\\_4-8.html](http://www.pbs.org/newshour/bb/europe/jan-june99/service_4-8.html); Charles Moskos and Paul Glastis, "Now Do You Believe We Need a Draft?" *Washington Monthly* (November 2001); Center for American Progress, "The Draft: Inevitable, Avoidable, or Preferable?" C-SPAN broadcast on March 30, 2005, available at [www.americanprogress.org/events/2005/3/b593305ct719947.html](http://www.americanprogress.org/events/2005/3/b593305ct719947.html); and John T. Warner and Sebastian Negrusa, "The Economic Case for All-Volunteer Forces," in Curtis L. Gilroy and Cindy Williams, eds., *Service to Country: Personnel Policy and the Transformation of Western Militaries* (Cambridge, Mass.: MIT Press, 2006).

would not be able to meet a large, sudden need for additional troops. More basically, draft supporters have questioned whether young people will continue to join the military given the likelihood that they may be required to deploy and fight.<sup>22</sup> (In a 2005 DoD survey of parents and other adults who influence young people's decisions, a majority said they were less likely to recommend military service because of the war in Iraq.) In addition, some people have expressed fears that the current system of using the reserves and a standby draft for national emergencies is unlikely to supply adequately manned or equipped forces in a timely manner.<sup>23</sup>

Today, the size of the force depends on the military's ability to recruit and retain volunteers. Responding to arguments that personnel levels may become inadequate under the AVF, supporters of the current system have noted that a host of factors affect the services' recruiting and retention efforts, including the missions that the military undertakes, the length of deployments, and compensation levels. In that view, adequate compensation should allow the services to maintain the forces they need; the reliance on draftees during the Vietnam War may be partly attributable to wages that were kept artificially low. The Gates Commission concluded that the nation could support the force size it needed with volunteers if regular military compensation for personnel in their first term was raised to levels roughly competitive with those individuals' opportunities in the civilian sector.<sup>24</sup> In dismissing concerns about the services' ability to maintain an adequately sized force, proponents of the

AVF have also argued that people tend to volunteer when foreign threats emerge

Finally, supporters of the all-volunteer force assert that relying on active-duty and reserve personnel can get troops to a theater faster than a draft could. A draftee with no prior military service could require several months to be trained, equipped, and declared ready to deploy to a theater.

**Quality and Effectiveness of the Force.** Many studies have linked educational attainment (specifically, earning a high school diploma), high test scores on military entrance exams, and more experience or seniority of service members with positive military outcomes. People with those characteristics have higher productivity than other service members or are more likely to remain in the military.

Some observers have argued, however, that individuals of relatively high ability, education, and social status do not normally volunteer for military service because they typically have good employment prospects in the civilian economy. Drafting those individuals would allow the military to benefit from their talents. By extension, that line of reasoning implies that the quality of an all-volunteer force will be lower than that of a draft force because military service is presumably more attractive to people with fewer civilian opportunities—the poor, the less educated, and the less skilled. In that view, the perceived low quality of the force diminishes the prestige of the military and thereby makes attracting volunteers even more difficult, leading to further declines in the quality, and ultimately the readiness, of the force.

Proponents of the AVF have asserted that if the quality of volunteers proved to be too low, the military could target its recruiting and compensation policies toward particular segments of the population. For instance, adequate compensation, opportunities for career advancement, and other selective incentives could help the services recruit and retain highly qualified individuals.<sup>25</sup>

Supporters of the AVF have also argued that the prestige of military service is enhanced by relying solely on people who freely choose to serve. In addition, a volunteer force has the advantage of not including unwilling and inexperienced draftees who may be prone to discipline problems

22. As attorney and former DoD official John G. Kester put it, "Nobody, not even economists, expects that money will attract many recruits to enlist when they are confident that if they do, in a few weeks they will be shot at." See Kester, "The Reasons to Draft," p. 292.

23. If a draft was reinstated under the current rules, for instance, the Selective Service System would have 193 days (more than six months) after commencing operations before it had to deliver registrants to DoD.

24. Regular military compensation consists of basic pay, cash allowances for housing and food, and the tax advantage that service members receive because those allowances are not subject to federal income taxes. Currently, DoD's goal is to have regular military compensation for enlisted personnel at least equal the 70th percentile of earnings for civilians of comparable age, education, and experience. Enlistment or reenlistment bonuses are also offered for certain occupations or skills as DoD deems necessary. For more information about military pay, see Congressional Budget Office, *Evaluating Military Compensation* (June 2007).

25. DoD's current personnel policies reflect those goals, as discussed below.

(as occurred during the Vietnam era). Thus, a volunteer military should be more professional and more motivated than a force of draftees.

Another key argument is that turnover among enlisted personnel should be lower in a volunteer military than under a draft—resulting in longer careers and more-experienced personnel—for several reasons. First, initial enlistments in the present AVF are typically for four to six years, compared with the two-year tours that draftees would have to serve under current law (and that they served during the Vietnam War). Second, true volunteers have historically had much higher reenlistment rates than either draftees or people who volunteer to avoid being drafted. Third, the higher pay and morale in a volunteer force should further reduce turnover. Overall, because more-experienced personnel receive a greater amount of on-the-job training, members of the AVF should be more productive and effective than members of a draft force.

### The Cost of the Armed Forces and Economic Efficiency

One factor in determining the relative merits of a draft and an AVF is comparing the full cost of the military under each approach. Supporters of the draft have argued that an all-volunteer force would cost more than a draft force because the military would have to pay significantly higher wages to attract and retain volunteers.<sup>26</sup> That higher cost could potentially constrain the size of the armed forces, leaving them too small to fulfill their missions, or could crowd out necessary long-term defense spending on such items as weapon systems, equipment maintenance, and infrastructure.

That cost argument was countered in the 1960s, when economists claimed that the full cost to society of a draft force was much larger than the budgetary costs reported at the time.<sup>27</sup> From an economist's perspective, the draft entails additional costs because it imposes a "hidden" or in-kind tax on draftees and draft-induced volunteers: Those individuals are typically paid wages that are below prevailing market rates and below their "reservation

wages" (the earnings they would require to enlist voluntarily). The tax equals the difference between their reservation wages and the amount actually paid for their service. The hidden tax borne by each draftee or draft-induced volunteer is not included in DoD's budgetary costs or counted in any government tally of spending or revenues. But it would have to be added to budgetary costs to estimate the nation's total defense spending under a draft.

The Gates Commission, economists, and other observers have argued that the full economic cost of an AVF is less than that of a draft force, for at least four reasons:

- The in-kind tax is eliminated with a volunteer force. People volunteer because they are offered compensation that is at least equal to the value of their services elsewhere in the economy. Moreover, those who volunteer have lower reservation wages than draftees, some of whom may strongly dislike military service.
- Other costs of the draft are eliminated as well—primarily the costs of avoiding the draft, which economists view as an unproductive use of resources (a "dead weight loss"). If draft deferments and exemptions are available, they distort the personal and career plans of draft-age men. For instance, in the past, such men have married and had families earlier than they would have otherwise, or they have gone to college when they would not have otherwise.
- Turnover rates should be lower and reenlistment rates higher under the AVF because the force is composed of willing recruits. As a result, the military should save money by having lower training costs and more-experienced and productive members.<sup>28</sup>

26. Although the Gates Commission recommended ending the draft, it recognized that the AVF might incur higher budgetary costs than a draft force. It estimated that DoD's annual spending on personnel would need to rise by a net \$2 billion in 1970 dollars (roughly \$9 billion in 2006 dollars)—or by about 8 percent—to attract enough volunteers to keep the size of the military at 2.5 million personnel. See *Report of the President's Commission on an All-Volunteer Armed Force*, p. 8.

27. For a fuller discussion, see Anthony C. Fisher, "The Cost of the Draft and the Cost of Ending the Draft," *American Economic Review*, vol. 59, no. 3 (June 1969), pp. 239–254; Walter Oi, "The Economic Cost of the Draft," *American Economic Review, Papers and Proceedings of the Seventy-Ninth Annual Meeting of the American Economic Association*, vol. 57, no. 2 (May 1967), pp. 39–62; and W. Lee Hansen and Burton A. Weisbrod, "Economics of the Military Draft," *Quarterly Journal of Economics*, vol. 81, no. 3 (August 1967), pp. 395–421.

28. The higher pay and benefits given to a more senior force could offset those savings, however. Some of the higher costs would result from the greater pay and benefits that service members with families receive. Although few enlisted personnel are married when they join the military, about half are married by the end of their first term.

- The full cost of military personnel is less visible under a draft, which reduces how efficiently the economy functions (that is, whether available resources are put to their most productive use). In a draft system, manpower appears less expensive than its true cost, which causes conscripted labor to be substituted for other resources—and thus to be overused. The allocation of resources should be more efficient in a volunteer military because spending on personnel must compete with other uses of available defense budgets. The higher budgetary costs for personnel in the AVF should encourage substitutions of capital for labor, allowing a smaller but equally efficient force.

During the Vietnam era, supporters of an all-volunteer force acknowledged that, at times, conscription might be either necessary or less expensive than an AVF, although they expected those circumstances to be relatively unusual.<sup>29</sup> Since then, theoretical models have identified the conditions under which the full costs to society of using conscription to procure military personnel may be lower than relying entirely on volunteers.<sup>30</sup> Conscription is more likely to be economically efficient if:

- The supply of labor to the military is highly inelastic (in other words, large increases in wages would be necessary to attract volunteers);
- Individuals engage in significant activities to avoid federal taxation (so it would be costly to raise revenues in order to pay the volunteer force);
- The number of personnel that the military needs represents a large fraction of the eligible youth population;<sup>31</sup> and

- The draft is structured in a way that makes it difficult to avoid (so people would not be likely to expend significant effort in evading the draft).

Because of a lack of data and other analytical difficulties, the Congressional Budget Office (CBO) has not attempted to calculate a break-even point at which the full costs of a draft would be lower than those of an all-volunteer force. Nor has it found other studies that provide that information. However, some analysts have hypothesized that the military's personnel requirements would have to be quite high, depending on the circumstances, before a draft was required. For example, during the mid-1980s, the active Army was able to attract and retain enough volunteers to field 16 divisions, containing a total of about 780,000 personnel (albeit during a period without major military conflicts). That force was more than 50 percent larger, and had six more divisions, than the current active Army.

### **Fairness and Sociopolitical Considerations**

In some people's eyes, the most important rationales for a draft or a volunteer military do not center on questions of effectiveness or cost. Rather, they involve such issues as the composition of the armed forces and the roles of the federal government, the military, and citizens.

**Representativeness of the Force.** Volunteering to serve in the armed forces during a conflict exposes people to a higher risk of injury or death than the U.S. population in general faces.<sup>32</sup> Serving as a draftee has the additional effect of diverting young people from their expected career and personal paths for two years. Consequently, the nation has long been concerned about who serves in the military. That question is complicated by the fact that with roughly 30 million men and women between the ages of 18 and 24 in the United States today, a small percentage of them are likely to be needed to fight.

29. See Milton Friedman, "Why Not a Volunteer Army," in Sol Tax, ed., *The Draft: A Handbook of Facts and Alternatives* (Chicago: University of Chicago Press, 1967), p. 202; and *Report of the President's Commission on an All-Volunteer Armed Force*, p. 121.

30. For a comprehensive discussion, see John T. Warner and Beth J. Asch, "The Economics of Military Manpower," in Keith Harley and Todd Sandler, eds., *Handbook of Defense Economics*, vol. 1 (New York: Elsevier Science, 1995), pp. 373–380; and John T. Warner and Beth J. Asch, "The Record and Prospects of the All-Volunteer Military in the United States," *Journal of Economic Perspectives*, vol. 15, no. 2 (Spring 2001), pp. 169–192.

31. That condition would exacerbate the first two points by requiring larger movements along the supply curve of labor.

32. The mortality rate for troops serving in the Vietnam War was 21.8 per 1,000 person-years. The rate for personnel in Iraq between March 2003 and March 2006 was 3.9 per 1,000 person-years (with the Marines experiencing the highest mortality rates). By comparison, the death rate for U.S. men ages 18 to 39 in 2003 was 1.5 per 1,000 person-years. For a more detailed analysis of death rates in Iraq, see Samuel Preston and Emily Buzzell, *Mortality of American Troops in Iraq*, Working Paper 06-01 (Philadelphia: University of Pennsylvania Population Studies Center, August 2006), available at [http://repository.upenn.edu/psc\\_working\\_papers/1/](http://repository.upenn.edu/psc_working_papers/1/).

In the past, one way in which the United States determined who would serve was through the system of draft deferments and exemptions. However, that mechanism can be seen as inequitable, as happened during the Vietnam War. At that time, some people charged that deferments shifted service predominantly to lower-income and black youth, who could not obtain deferments as readily.<sup>33</sup> Educational deferments, in particular, were singled out for criticism.

Some observers, including the National Advisory Commission on Selective Service, have concluded that the solution to the question of who should serve is to give all individuals an equal risk of being inducted through the draft. As noted above, in the late 1960s and early 1970s, the nation moved to a lottery system for determining who should be inducted—and tightened or eliminated many deferments—to distribute military service more evenly throughout the male population. Although it has been modified since then, a random lottery of young men is the method of conscription mandated by the selective service legislation now in effect.

Other people dismiss altogether the notion that a draft can be equitable. In their view, the very fact that some individuals are forced to provide their service when others are not can be considered unfair. Although the National Advisory Commission on Selective Service recommended a random draft lottery, it acknowledged, "Complete equity can never exist when only some men out of many must be involuntarily inducted for military service."<sup>34</sup> The subsequent Gates Commission concluded: "When not all our citizens can serve, and only a small minority are needed, a voluntary decision to serve is the best answer, morally and practically, to the question of who should serve."<sup>35</sup> The Gates Commission argued that the hidden tax on draftees was a regressive tax on service members. By getting paid less than they would earn otherwise, draftees were forced to bear a larger share of the costs of national defense than individuals who were not drafted, thus lowering the costs for everyone else.

33. Flynn, *The Draft, 1940–1973*, pp. 193 and 207.

34. National Advisory Commission on Selective Service, *In Pursuit of Equity*, p. 37.

35. *Report of the President's Commission on an All-Volunteer Armed Force*, p. 14.

On the other side, some supporters of the draft argue that an all-volunteer force creates its own inequities. They maintain that the current AVF was designed to free the middle and upper classes from even the risk of military service and that lower-income groups or minorities bear a disproportionate share of service and combat. In that view, the military is particularly appealing to groups who have relatively poor civilian opportunities, because they are offered higher pay than they can receive elsewhere. Thus, those groups may be disproportionately drawn into the armed forces, with its attendant dangers.

One response to that criticism is that if a socioeconomic group was disproportionately represented in the all-volunteer force, it would be because of individuals' free choice, not compulsion. Proponents maintain that service members fare better in an AVF, in terms of wages, than they did under a draft system and that the AVF offers some people more opportunities and better lives than their civilian options do. (Critics counter that enlisting does not constitute volunteerism when poverty is the alternative.) In addition, the higher monetary rewards under an AVF are likely to attract additional recruits, including people with relatively better civilian opportunities, who would be less likely to volunteer under a mixed draft/volunteer system. The result, supporters say, is that the AVF produces a diverse, higher-quality force that is more motivated and effective. Finally, they argue that various reasons other than pay—such as patriotism, a sense of duty, or the desire to learn a new skill or travel to new places—also continue to attract a broad cross section of society to the military.

**The Rights and Duties of Citizenship.** Supporters of the draft maintain that service in defense of the country is a fundamental responsibility of citizenship. Opponents, however, say that the draft is at odds with the basic democratic principles of liberty, equality, and free choice. Others have claimed that requiring service undermines citizens' respect for the government and the morale of the troops.

In various court cases, the Supreme Court has ruled that the government has the right to raise armies through conscription.<sup>36</sup> The Constitutional provisions that give

36. See *United States v. O'Brien*, 391 U.S. 367 (1968); *Lichter v. United States*, 384 U.S. 742 (1948); and the Selective Draft Law Cases, 245 U.S. 366 (1918).

the Congress powers to declare war, to raise and support armies, and to make laws to execute those powers formed the basis for the Court's decision on that issue in 1918. It stated, "The very conception of a just government and its duty to the citizen includes the reciprocal obligation of the citizen to render military service in case of need and the right to compel it." In that line of reasoning, because the government is protecting citizens' rights and property, it may require citizens to contribute to that protection.

#### **Willingness to Engage Forces in Overseas Conflicts.**

Some critics of an all-volunteer force—both during the Vietnam War and today—argue that the United States is more likely to engage in foreign conflicts if it has a volunteer military, for several reasons. First, the AVF provides a standing pool of trained personnel ready to go to war, which the President could send into action with little public discussion. Second, the country's leaders might be less reticent in using military force to resolve conflicts (as opposed to taking diplomatic or other approaches) because their relatives and friends would presumably be less likely to serve than most people. Finally, because middle- and higher-income individuals might no longer face the risk of being sent to war, the general public would be less concerned about committing troops to combat than it might have been under a draft system. In that view, protests against wars would probably be muted, and the public would not act as a brake on the decision to take part in military conflicts.

Proponents of the AVF argue that other considerations—such as the cost of military resources and the risk to human lives—are likely to have more influence than the method of procuring personnel on whether the nation commits troops to an overseas conflict. If anything, supporters of the AVF have asserted, maintaining peacetime conscription could allow for greater use of the military than an all-volunteer force would. The President could increase the size of draft calls with minimal public debate and without Congressional approval. Thus, the President could engage the country in military operations that enjoyed little popular or Congressional support. With an AVF, by contrast, difficulties recruiting and retaining volunteers would act as a signal of public opinion and could limit the government's ability to take part in unpopular wars.

**Isolation of the Armed Forces.** In the past, proponents of a draft argued that conscription could guard against the development of a separate military ethos—and keep the desires and goals of the military and the general public more closely aligned—by spreading the responsibility of serving in the military more or less evenly across most of society. In that view, an AVF that consisted of professional personnel could develop its own independent culture, allowing a division to grow between the military and civilian society. Some people expressed concern that the military could become composed of individuals who were inclined to use violence to solve problems and could even threaten civilian control.

Supporters of the all-volunteer force countered that draftees, who would have the lowest levels of authority, would not prevent or affect the development of a military ethos. In that view, if the military became too isolated from the rest of society, one solution would be to increase the interaction between the two groups. Encouraging service members to live and eat off-base, eliminating military schools, and shifting some military jobs to civilians could better integrate military personnel into civilian communities.

**The Benefits of Military Service to Individuals.** Observers have postulated many other personal and societal benefits from military service and conscription. Some people point to improved physical fitness, self-discipline, and training for youths; others, to ethnic, racial, and social diversity that allows personnel to experience and appreciate members of different classes, cultures, and education levels. Still others claim that military service instills greater patriotism and knowledge of foreign affairs.

A desire to extend the benefits of military service to more young people, or to increase their readiness to serve in the military, has led to proposals for a system of compulsory or voluntary national service or universal military training in the United States. For instance, in 1966, President Dwight Eisenhower called for a program in which all young men would spend 49 weeks in military training.<sup>37</sup> Anthropologist and social commentator Margaret Mead was one proponent of universal national service, in which

37. John O'Sullivan and Alan M. Meckler, eds., *The Draft and Its Enemies* (Champaign, Ill.: University of Illinois Press, 1974), pp. 214–219.

both young men and women would be required to serve their country in some way.<sup>38</sup>

A counterargument is that many of the skills and ideals thought to result from serving in the armed forces could be taught in other spheres of the community—such as the school system—without resorting to compulsory military service.

## Personnel in Today's All-Volunteer Military

To shed light on some of the arguments discussed above, CBO examined trends in budgetary costs, the quality of the force, and various demographic characteristics of military personnel from the Vietnam era to the present. CBO also compared both new recruits and all service members with the civilian population along various dimensions.<sup>39</sup>

### The Cost of the Armed Forces

As both proponents and critics of the all-volunteer force predicted, the budgetary cost of personnel increased significantly in the early years of the AVF as pay was raised to attract additional volunteers. Basic pay for new service members (E-1s with four months of service) almost doubled in real (inflation-adjusted) terms during that period—rising from about \$700 per month in fiscal year 1971 to \$1,300 per month by 1975 (both in 2006 dollars).<sup>40</sup> Those increases brought military pay in line with

the median pay of young men working in the civilian sector.<sup>41</sup> Increases in pay were generally smaller for the career force (personnel serving their second or subsequent enlistment), presumably in part because, even before the AVF, those service members received compensation packages that were competitive with their alternatives in the civilian sector. For some career personnel, basic pay grew by less than the rate of inflation.

In examining real expenditures from the military's personnel accounts, CBO found that total manpower spending increased with the return of the AVF. Those expenditures averaged \$97 billion a year in 1974 and 1975, compared with \$68 billion a year in the pre-Vietnam War era of 1959 to 1963.<sup>42</sup> That rise does not reflect the full increase in the cost per service member, however, because the early AVF was more than 15 percent smaller than the force of the pre-Vietnam period.

Critics of an all-volunteer force were concerned that the budgetary costs of personnel would become prohibitively high, crowding out spending on weapons and equipment. Personnel costs did grow as a percentage of the defense budget with the onset of the AVF. Personnel accounts totaled about 35 percent of the budget in the initial years of the AVF, compared with 28 percent during the pre-Vietnam era. Only a portion of that increase appears to be attributable to the all-volunteer force, however. According to the former General Accounting Office (GAO), the move to an AVF added about \$3 billion per year in 1974 dollars to the military's costs (more than

38. Tax, *The Draft: A Handbook of Facts and Alternatives*, pp. 99–109. One drawback of implementing such plans today would be the budgetary cost. For example, if the roughly 4 million 18-year-olds in the United States were required to perform one year of military or public service but were paid market wages for that service (equal to the pay of young full-time workers), the cost would total approximately \$80 billion a year, CBO estimates. That amount is almost three-quarters of the \$108 billion that DoD spent from its military personnel accounts in 2006 for 1.4 million active-duty personnel.

39. The Department of Defense provides a report on population representation in the U.S. military to the Congress each year, in response to a standing requirement by the Senate Armed Services Committee (Report 93-884, May 1974). This discussion is partly based on the most recent report: Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05/](http://www.humrro.org/poprep/poprep05/). Although that report was based on 2005 data, demographic characteristics (such as average age) usually change slowly and are probably largely similar now to what they were in 2005.

40. Historical military pay tables are available from the Department of Defense, Defense Financing and Accounting Service, at [www.dod.mil/dfas/militarypay/2006militarypaytables/militarypaypriorrates.html](http://www.dod.mil/dfas/militarypay/2006militarypaytables/militarypaypriorrates.html).

41. Cooper, *Military Manpower and the All-Volunteer Force*, p. 42.

42. Those personnel costs, which are all given in 2006 dollars, include DoD's spending on direct pay and allowances, as funded through the military personnel appropriation. They exclude spending on some other personnel-related functions (such as nonsalary recruiting costs, which are funded through DoD's operation and maintenance appropriation) as well as the cost of tax collections that are forgone because some military pay and allowances are tax-exempt. Through 1984, personnel expenditures include actual cash payments to retired service members; after 1984, they include an accrual charge for expected future retirement payments. See Department of Defense, Office of the Under Secretary of Defense (Comptroller), *National Defense Budget Estimates for FY 2007* (March 2006), available at [www.dod.mil/comptroller/defbudget/fy2007/fy2007\\_greenbook.pdf](http://www.dod.mil/comptroller/defbudget/fy2007/fy2007_greenbook.pdf).



\$10 billion in 2006 dollars)—or about 11 percent of DoD's spending on its manpower budget accounts in 1974.<sup>43</sup> Most of the remaining increase resulted from higher cash payments to retired military personnel that were unrelated to the AVF.

In all, military spending was about \$26 billion higher (in 2006 dollars) in the early years of the all-volunteer force than in the pre-Vietnam era. The military manpower accounts increased by about \$29 billion over that period; DoD's other budget accounts (totaling more than \$170 billion in 2006 dollars, on average) decreased by about \$3 billion.

To CBO's knowledge, no studies have retrospectively examined the total cost of the draft. However, GAO's estimate of the extra \$10 billion (in 2006 dollars) paid to service members under the AVF could also be considered the lower-bound cost of the in-kind tax on draftees.

### Quality and Effectiveness of the Force

Many research studies conducted in the past few decades have concluded that recruits who have earned a high school diploma have a greater likelihood of completing their initial training and first term of service in the enlisted force than individuals with no diploma or an alternative credential (such as a GED).<sup>44</sup> Roughly 80 percent of recruits with high school diplomas complete their initial obligation, versus 60 percent of recruits with alternative credentials and 50 percent of recruits who did not finish high school. Service members' completion rates are important to DoD because people's level of experience in the military affects their productivity. Individuals with

more years of service have generally acquired more knowledge and skills than those with fewer years. Research has shown that career military personnel are at least 1.5 times more productive than first-term personnel at certain tasks.<sup>45</sup> As such, a force of a given size will have greater capabilities the more years of service its personnel have. In addition, a larger percentage of recruits who do not complete their obligation leads to higher costs for recruiting and training their replacements.

Research has also shown that recruits with higher scores on the military entrance exam—known as the Armed Forces Qualification Test (AFQT)—are more easily trained and perform better in a wide range of military occupations than personnel with lower scores do. DoD initiated an extensive multiyear study in which researchers watched service members perform their jobs, calculated their effectiveness, and then linked their performance scores to their AFQT scores. Researchers concluded that personnel with low AFQT scores (in the 10th to 30th percentiles relative to a representative sample of the U.S. youth population) scored about 20 percent lower on performance tests than did members with high AFQT scores (in the top 30 percentiles). Furthermore, by their third year of service, those low-scoring service members had not reached the performance levels that recruits with high AFQT scores achieved in their first year on the job.<sup>46</sup>

Skills used in wartime have also been shown to depend on the quality of service members. For instance, researchers have found that performance in air combat simulations by Army enlisted personnel who operate Patriot missile systems rises sharply with AFQT scores.<sup>47</sup> Another study has shown a similar, though smaller, relationship between how well Army enlisted members of tank crews perform

43. General Accounting Office (now the Government Accountability Office), *Additional Costs of the All-Volunteer Force*, FPCD-78-11 (February 1978). The additional budgetary costs attributable to an AVF can be difficult to measure. At one extreme, some analysts might credit any changes in manpower costs since 1973 to the AVF because those costs would not have to be paid under a system of conscription. At the other extreme, analysts might claim that a draft system should pay market wages and that the cost of doing so should not be attributed to the AVF. The GAO study attributed the alignment of military pay with market wages to the inception of the AVF. An alternative estimate from 1973 by Joseph Califano, a special assistant to the Secretary of Defense, was much higher: almost \$6 billion for 1974. See Califano, "Doubts About an All-Volunteer Force."

44. In this section, "recruits" refers specifically to recruits who have not served in the military before.

45. Studies describing the relationship between military experience, quality, and productivity are summarized in Warner and Asch, "The Economics of Military Manpower."

46. For an overview of the DoD study and others linking individuals' quality to performance, see David J. Armor and Paul R. Sackett, "Manpower Quality in the All Volunteer Force," in Barbara A. Bicksler, Curtis L. Gilroy, and John T. Warner, eds., *The All-Volunteer Force: Thirty Years of Service* (Washington, D.C.: Brassey's, 2004).

47. B. Orvis, M. Childress, and M. Polich, *Effects of Personnel Quality on the Performance of Patriot Air Defense System Operators*, R-3901-A (Santa Monica, Calif.: RAND, 1992).

on firing ranges and their AFQT scores.<sup>48</sup> Relationships between AFQT scores, receipt of a high school diploma, and performance have also been found in other services.

Because training, completion rates of initial enlistment terms, and job performance have significant implications for the cost and effectiveness of the force, DoD places considerable emphasis on the educational achievement and AFQT scores of potential recruits—attributes that underpin its definition of personnel quality. In DoD's view, the combination of a high school diploma and a high test score means that an individual has a high potential for success in the military. The increasing technological sophistication of weapon systems and growing complexity of many military jobs (even in the combat arms) can require significant training for service members to master. That situation makes more-experienced, more-capable personnel especially valuable to DoD (as they are to most employers).

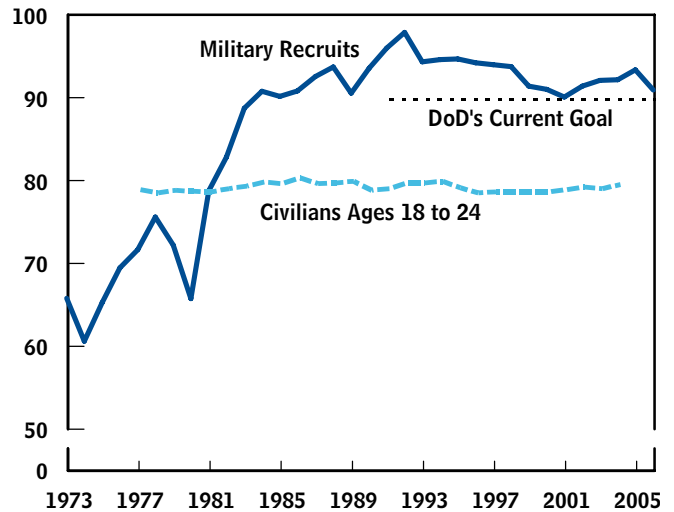
For the most part, DoD has been able to attract individuals with the educational and test-score credentials necessary to perform its missions. After 2004, however, the qualifications of some new personnel slipped, as the Army accepted a higher proportion of recruits who lacked high school diplomas, scored lower on the AFQT, or had to obtain special waivers to allow their enlistment (for example, because they had several misdemeanors on their record).<sup>49</sup>

**Education Levels.** The proportion of young people joining the military who have high school diplomas is much higher now than it was during the Vietnam era. Although data on the education levels of enlisted personnel during the draft period are not as readily available as data for the

**Figure 3.**

### Percentage of Non-Prior-Service Recruits and Young Civilians with High School Diplomas, 1973 to 2006

(Percent)



Source: Congressional Budget Office based on Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05); and Department of Defense, Directorate for Accession Policy.

Note: Data for recruits include only those who have earned high school diplomas. Data for civilians include people who hold general equivalency diplomas (GEDs) as well as high school graduates.

all-volunteer force, the RAND Corporation reported figures for the 1960s and early 1970s that are significantly lower than current levels: From 1960 through the first half of 1973, an average of about 70 percent of recruits had at least a high school diploma, compared with 91 percent in 2006.<sup>50</sup> In the first few years of the AVF, however, the proportion of recruits who were high school graduates declined, falling to a low of 60 percent in 1974. Most of that drop is attributed to a decrease in the number of recruits with “some college” education (that is, who had earned some college credits but no degree).

48. B. Scribner and others, “Are Smarter Tankers Better? AFQT and Military Productivity,” *Armed Forces and Society*, vol. 12 (1986), pp. 194–206.

49. From time to time, the services have implemented programs to identify people who do not possess high school diplomas but have the potential to succeed in the military. For instance, under its GED Plus program, the Army introduced the Assessment of Individual Motivation (AIM) in 2000 as an enlistment screening tool. Under that program, individuals without high school diplomas who might otherwise be ineligible for military service can enlist if they score sufficiently high on the AIM and meet other program requirements. If such programs successfully identify nongraduates who perform similarly to high school graduates, the impact of a decline in the percentage of recruits with high school diplomas on the effectiveness of the force will be lessened.

50. See Cooper, *Military Manpower and the All-Volunteer Force*, p. 133. More precisely, the percentages of recruits with high school diplomas reported in that study are 64 percent from 1960 to 1964, 74 percent from 1965 to 1969, and 66 percent from 1970 through the first six months of 1973.

In the early and mid-1980s, larger numbers of better-qualified recruits were attracted to military service as DoD initiated policies designed to improve recruiting. It increased military pay relative to the earnings of civilian high school graduates, expanded education benefits, and boosted recruiting resources. In the early 1990s, DoD set a goal that at least 90 percent of enlisted recruits without prior service should have a high school diploma. (By comparison, 80 percent of the civilian youth population earned high school diplomas in 2006.) DoD has been able to meet that goal every year since it was established (see Figure 3). In the late 1980s and early 1990s, as the military was reduced in size and the number of new personnel who were needed fell significantly, the services were able to increase the proportion of recruits with high school diplomas, peaking at almost 98 percent in 1992. That number declined somewhat through the 1990s, in part because of improved job opportunities in the civilian sector (as evidenced by lower civilian unemployment rates for young people).

During the current decade, the share of recruits who are high school graduates has remained between 90 percent and 93 percent for the military as a whole, although it has varied by service. For example, the Navy has increased its figure in recent years as it once again shrinks its enlisted force, whereas the Army has fallen below DoD's 90 percent goal. The proportion of new Army recruits with high school diplomas dropped to 87 percent in 2005 and 81 percent in 2006—the lowest levels in at least 20 years.<sup>51</sup> The Army's difficulties in meeting its numerical goals for recruiting in those years may partly explain the drop in education levels.

At the same time, the percentage of the U.S. population who attend college has risen, in part because the pay gap between workers with postsecondary education and high school graduates continues to widen. Enlisted service members are similar to the rest of society in that respect:

51. Data for 2005 and 2006 come from DoD's Directorate for Accession Policy. For the Army, those statistics are consistently 5 to 7 percentage points higher than data from DoD's *Population Representation in the Military Services* report. One reason may be that the two sources account differently for recruits in special educational attainment programs. For instance, some recruits without high school diplomas (those who enter the GED Plus program) are excluded from the population of recruits (the denominator) in calculations by the Directorate for Accession Policy, but they may be counted as recruits without a high school diploma in the *Population Representation* report.

**Table 1.**

### Scoring Categories for the Armed Forces Qualification Test

|               | AFQT Score<br>(Percentile) <sup>a</sup> |
|---------------|---|
| Category I    | 93-99                                   |
| Category II   | 65-92                                   |
| Category IIIA | 50-64                                   |
| Category IIIB | 31-49                                   |
| Category IV   | 10-30                                   |
| Category V    | 1-9                                     |

Source: Congressional Budget Office.

- a. Individual scores on the Armed Forces Qualification Test (AFQT) are measured in terms of the distribution of scores of a nationally representative sample of young people. For example, someone whose test results fall in the 72nd percentile of that distribution receives an AFQT score of 72 (and is in category II).

Many of them earn college degrees (and some acquire advanced degrees) while serving in the military. CBO estimates that at least 6 percent of enlisted personnel have four-year college degrees.<sup>52</sup> In addition, DoD requires individuals to have a college degree when they are commissioned into the officer corps or soon thereafter. As a result, a vast majority of active-duty officers—96 percent in 2005—have college degrees. In all, at least 20 percent of the combined enlisted force and officer corps (excluding warrant officers) holds four-year college degrees, compared with roughly 30 percent of the U.S. population ages 25 to 34.

**Test Scores.** Results on the Armed Forces Qualification Test (which assesses basic verbal and mathematical ability) are another important dimension of the quality of new service members. Higher scores—which indicate higher cognitive ability—are statistically correlated with a greater likelihood of success in the military.

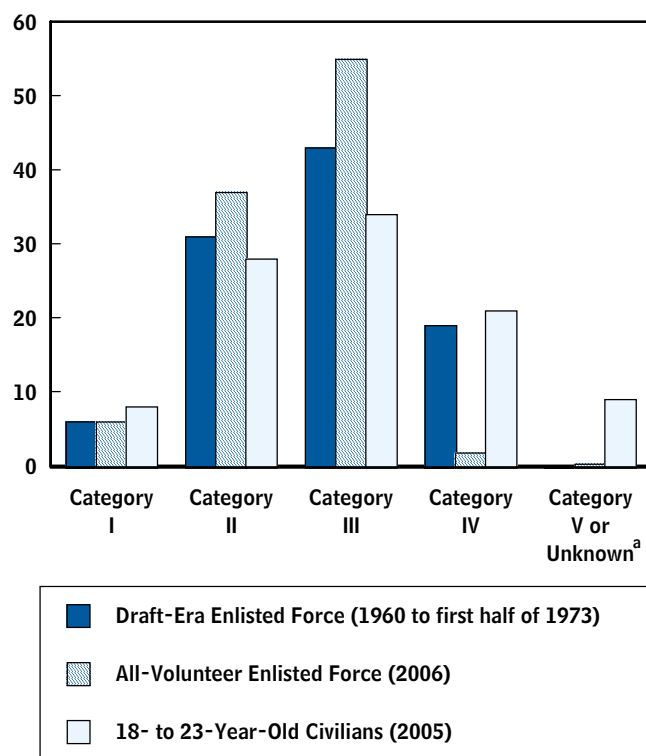
AFQT scores are divided into five groups: categories I and II represent scores in the 65th to 99th percentiles relative to the youth population in general, categories IIIA

52. For more information about the education levels of enlisted personnel, see Congressional Budget Office, *Educational Attainment and Compensation of Enlisted Personnel* (February 2004).

**Figure 4.**

### Distribution of AFQT Scores for Non-Prior-Service Recruits and Young Civilians Under the Draft and the All-Volunteer Force

(Percent)



Source: Congressional Budget Office based on Richard V.L. Cooper, *Military Manpower and the All-Volunteer Force*, R-1450-ARPA (Santa Monica, Calif.: RAND Corporation, 1977), Table 8-3; and Department of Defense, Directorate for Accession Policy.

Notes: For a description of the scoring categories for the Armed Forces Qualification Test (AFQT), see Table 1.

Data for recruits during the draft era and for civilians in 2005 include only men; data for recruits in 2006 include women as well as men. As a result, the data are not strictly comparable. (However, data for the draft era would not differ significantly if they included women, as less than 2 percent of recruits in that period were female.)

- a. Numbers for the enlisted force include accessions for whom the AFQT score was unknown to the Directorate for Accession Policy. Numbers for civilian youths include those scoring in category V (who are statutorily barred from serving in the military).

and IIIB cover the 31st to 64th percentiles, category IV represents the 10th to 30th percentiles, and category V includes the 1st to 9th percentiles (see Table 1 on page 15). Categories I through IIIA represent the top half of scores (those at or above the 50th percentile). Individuals scoring in category V have been statutorily barred from enlistment or induction in the military since 1948.

Data from 1960 through the first half of 1973 indicate that new service members' AFQT scores were generally lower during the draft era than they have been under the all-volunteer force.<sup>53</sup> During the 1960–1973 period, 37 percent of male recruits scored in the top two categories, compared with 43 percent of male and female recruits in 2006 (see Figure 4).<sup>54</sup> In addition, 19 percent of draft-era recruits were in category IV, versus less than 2 percent last year.

The AFQT scores of recruits are also generally higher today than they were in the early years of the AVF (see Figure 5). For example, in 2006, 69 percent of recruits scored at or above the 50th percentile relative to the overall U.S. youth population, compared with less than 60 percent in 1973. The proportion of recruits who scored in the top two categories in 2006 was one of the highest since the beginning of the AVF. Likewise, the percentage of recruits in category IV has declined significantly since 1973, except for an increase during the mid- and late 1970s. That increase (to a high of 33 percent in 1980) resulted from two factors. First, pay for enlisted personnel fell by a total of about 13 percent in the late 1970s relative to pay for comparable civilians, as increases in compensation for federal employees (including those serving in the military) were limited in an effort to control budget deficits.<sup>55</sup> That decline made military service less attractive to high-aptitude recruits, who consequently

53. Cooper, *Military Manpower and the All-Volunteer Force*, p. 132.

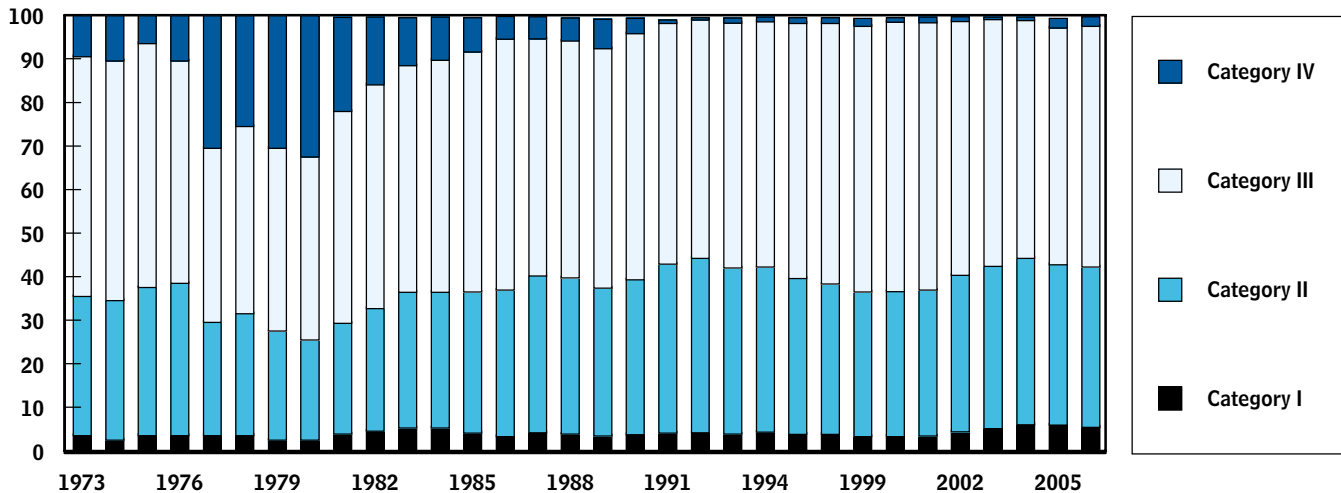
54. According to the scale used for the test, 35 percent of the civilian youth population should have AFQT scores in categories I and II. However, it is possible for test takers in the civilian population in different years to have a distribution of scores slightly different from that of the cohort for which the test was benchmarked. (The AFQT currently in use was benchmarked to the civilian population in 1997.) For example, in 2005, 36 percent of 18- to 23-year-old male civilians had AFQT scores in categories I and II.

55. Warner and Asch, "The Record and Prospects of the All-Volunteer Military in the United States," p. 183.

**Figure 5.**

## Distribution of AFQT Scores for Non-Prior-Service Recruits in the All-Volunteer Force, by Scoring Category, 1973 to 2006

(Percent)



Source: Congressional Budget Office based on data from Robert L. Goldich, *Recruiting, Retention, and Quality in the All-Volunteer Force* (Congressional Research Service, June 8, 1981); Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05); and Department of Defense, Directorate for Accession Policy.

Notes: For a description of the scoring categories for the Armed Forces Qualification Test (AFQT), see Table 1. Category V is not included here because people who score in that category are statutorily barred from serving in the military.

AFQT scores from 1976 to 1980 reflect corrections from the miscalibration that occurred in that period.

had better civilian options. Second, a miscalibration of scores on the Armed Services Vocational Aptitude Battery (ASVAB) test, which forms the basis of the AFQT score, caused recruits who entered the services between 1976 and 1980 to receive higher scores than their actual ability would merit.<sup>56</sup> That problem allowed at least 125,000 people to enter the military who would otherwise not have been admitted—or more than 7 percent of accessions during that period.

56. The scoring was recalibrated in 1980, and the scores of those recruits were adjusted accordingly (mostly to lower categories); Figure 5 displays the adjusted scores. That correction is reflected in the drop in the percentage of scores in categories I to III between 1976 and 1980 and the corresponding increase in the share of recruits assigned to category IV. For more details, see Armor and Sackett, “Manpower Quality in the All Volunteer Force”; Rostker, *I Want You! The Evolution of the All-Volunteer Force*; and Robert L. Goldich, *Recruiting, Retention, and Quality in the All-Volunteer Force* (Congressional Research Service, June 8, 1981).

In response to the miscalibration, the Congress stipulated in the 1981 National Defense Authorization Act that, beginning in 1983, no more than 20 percent of new recruits could have scores in category IV.<sup>57</sup> Since the 1990s, DoD’s policy has been more restrictive: At least 60 percent of new recruits should come from categories I to IIIA, and no more than 4 percent should come from category IV. (Early in the AVF, the services had set separate ceilings. The percentage of recruits allowed from category IV ranged from 10 percent in the Navy and Air Force to 20 percent in the Army.)<sup>58</sup>

In the mid- to late 1980s, the share of recruits in the top AFQT categories rose sharply and the percentage in the

57. The law also specified that no more than 35 percent of recruits without prior service could be non-high-school graduates and that those nongraduates who did enter the service had to have AFQT scores of at least 30.

58. Cooper, *Military Manpower and the All-Volunteer Force*, p. 136.

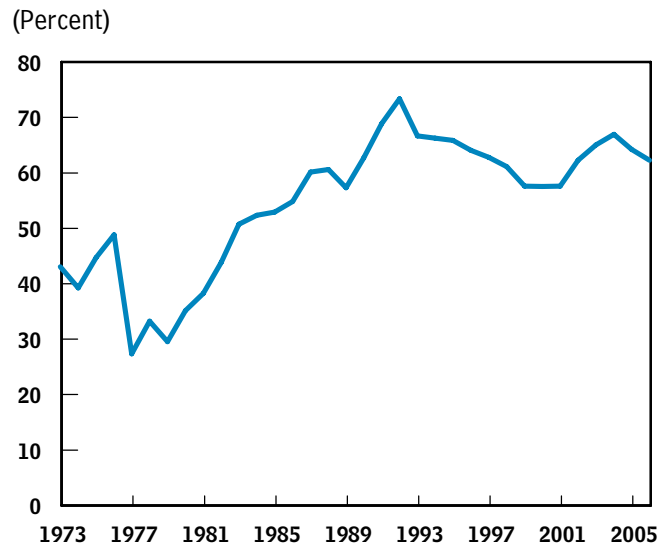
bottom category declined further, as programs such as the Montgomery GI bill were instituted that attracted young people with high aptitude. Similar to the pattern of recruits with high school diplomas, recruits with test scores in categories I and II peaked in 1992 (at 45 percent), with fewer recruits scoring in those top categories through the rest of the 1990s. The proportion of those recruits increased after 2001, reaching the 1992 level again by 2004. At the lower end of the scale, the percentage of recruits scoring in category IV dropped below 0.5 percent in 1992, 2003, and 2004 but then rose to 1.8 percent in 2005 and 2006, the highest level since 1990. That increase was driven by the Army's taking almost 4 percent of its recruits (the policy ceiling) from category IV in those years.

DoD defines individuals with high school diplomas and AFQT scores at or above the median as high-quality recruits. The military has to compete harder for such recruits because they have many options in the civilian sector, including attending college. In general, the all-volunteer force has been able to attract sufficient numbers of such individuals, particularly during times of high unemployment. The percentage of high-quality recruits dipped in the late 1970s and the early 1980s (the period of the ASVAB miscalibration), falling as low as 27 percent. However, that percentage rose sharply in the mid- to late 1980s, peaking at 73 percent in 1992 (see Figure 6). It increased again after 2001 but slipped in 2005 and 2006.

Data on the Army for 2005 and 2006 point to general declines in the quality of new personnel. The percentage of high-quality recruits in the Army fell to 49 percent in 2006—the lowest level in more than 20 years and the lowest among the services. (The Marine Corps had the second-lowest share of high-quality recruits in 2006 at 62 percent.) In addition to the drops in AFQT scores and in the percentage of high school graduates, quality in the Army appears to have fallen in recent years as measured by the proportion of recruits meeting other enlistment standards. For instance, the Army typically does not allow people to enlist under some circumstances, such as if they have certain medical conditions, several misdemeanor convictions, or felony arrests. However, they can petition for special consideration through DoD's special exemptions program, which provides waivers. The total number of waivers granted by the Army has risen steadily in recent years, from 8,900 in 2004 to 10,200 in 2005 and 13,500 in 2006 (or 11.5 percent, 13.9 percent, and 16.9 percent

**Figure 6.**

### Percentage of Non-Prior-Service Recruits Considered High Quality by the Military, 1973 to 2006



Source: Congressional Budget Office based on Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), Table D-1, available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05).

Note: In the military's definition, high-quality recruits are high school graduates who score at least the median on the Armed Forces Qualification Test.

of recruits from those years, respectively). One type of waiver—behavioral or moral waivers—is given for non-medical issues, such as certain preservice drug use, criminal charges, or convictions. The annual number of those waivers increased from 4,500 in 2004 to 5,500 in 2005 and 8,100 in 2006 (or 5.8 percent, 7.5 percent, and 10.1 percent of recruits, respectively).<sup>59</sup>

**Experience and Rank.** Various factors, such as the personnel requirements and policies of the military and decisions by lawmakers, determine the experience level (years of service) and rank (pay grade) profile of the force. Average years of service have generally increased since the start of the all-volunteer force. For instance, the average length of service of active enlisted personnel was about 6 years in

59. The number of waivers has fluctuated in the past. For example, the Army granted nearly 6,000 moral waivers in 1990, but by 1997, that number had dropped to 2,400.



1974; it rose to a peak of 7.5 years in 1996 before decreasing slightly, to 7 years, by 2005.

The combination of years of service and pay grade indicates that experience levels are higher now than they were during the Vietnam era. In 1967, two-thirds of active enlisted personnel were in their first enlistment term (which varied from 2 years for draftees to 3 years for volunteers in the Army, 3.5 years in the Navy, and 4 years for regular enlistees in the Marine Corps and Air Force).<sup>60</sup> Today, by comparison, roughly 46 percent of the active enlisted force has fewer than 4 years of service (meaning that personnel are probably in their first term), 39 percent has between 5 and 15 years of service, and the remaining 15 percent of the force has at least 16 years of service.

The higher experience levels in the AVF compared with the draft-era force are partly attributable to higher pay—which leads to less turnover—and longer initial enlistment terms. However, declines in the size of the military and in the number of new personnel required each year have also played a role. The military's total end strength declined from a high of 3.5 million personnel in 1968 to 2.1 million in 1978; correspondingly, the number of non-prior-service recruits required annually dropped from 843,000 to 304,000 over that period.<sup>61</sup> In the early 1990s, following the end of the Cold War, the size of the military was reduced again, and non-prior-service accession requirements fell further (from 277,000 in 1989 to 179,000 in 1996). During that period, average years of service in the enlisted force rose steadily, reaching a peak in 1996. Besides cutting accession levels in that downsizing, DoD offered incentives for midcareer personnel (those with 7 to 15 years of service) to leave active duty. The most senior personnel were less affected by those incentives, which also caused average years of service to increase. Later, as those senior personnel retired, the force became less experienced, on average.

Average experience levels differ among the services. Currently, the Marine Corps and the Army have the most-junior enlisted forces, averaging about 5 and 7 years of service, respectively. The Navy and the Air Force are more

experienced, with averages of 8 and more than 9 years of service, respectively.

In the officer corps, the average years of experience increased from 9.8 in 1974 to a peak of about 11 in 2000 and then remained close to that level through 2005. Because of the way in which DoD reduced the size of the officer corps in the early to mid-1990s (mostly by decreasing the number of new commissions), the average years of service for officers continued to increase through the 1990s while the average for enlisted personnel declined slightly.

Years of service in the military are correlated with pay grade. As of September 2006, 52 percent of the active enlisted force was in pay grades E-1 to E-4 (typically first-term service members, who are equivalent to trainees and apprentices), 36 percent was in grades E-5 and E-6 (skilled journeymen), and 12 percent was in grades E-7 to E-9 (supervisors).

### Force Composition and Equity

During the Vietnam-era debate about ending the draft, many observers feared that an all-volunteer force would be disproportionately filled with low-income and minority youth, who would bear the brunt of the risks of combat. However, a variety of data suggest that the current AVF is broadly representative of U.S. society, although (because of the demands and history of military service) younger and less female than the population at large.

**Age.** On the whole, the active-duty military is younger than the civilian population. By law, new active-duty recruits must be between 17 and 42 years old (in 2005, the typical enlisted recruit was 18).<sup>62</sup> In addition, both officers and enlisted personnel rarely serve for more than 30 years on active duty. Moreover, the services manage their forces through various policies to achieve the relative youthfulness that military service historically required. As a result, 47 percent of the active-duty enlisted force is between the ages of 17 and 24, compared with just 19 percent of civilians of prime working age (17 to 49).

60. *Report of the President's Commission on an All-Volunteer Armed Force*, p. 51.

61. End strength is the number of personnel on active duty on the last day of the fiscal year.

62. The National Defense Authorization Act of 2006 (Public Law 109-163) raised the maximum age for enlistees from 35 to 42. The components of the individual services may have lower maximum age limits if they wish. The components of the Army chose to increase their maximum age to 42; the other services have not done so.

Although active-duty officers are older than enlisted personnel, on average, they too are younger than comparable civilians (in this case, college graduates in the civilian workforce between the ages of 21 and 49).<sup>63</sup> About 73 percent of the active officer corps is less than 40 years old, whereas 61 percent of comparable civilians are in the same age group.

Enlisted reservists tend to be older than active-duty personnel, but they too are younger than their civilian counterparts: 32 percent of reserve enlisted personnel are less than 25 years old, compared with 19 percent of civilians of the prime-working-age labor force. Reserve officers, by contrast, are slightly older than comparable civilians: Just 48 percent are under age 40, compared with 61 percent of college-educated civilian workers in the 21–49 age range.

**Gender.** Although women make up half of civilians of prime working age, they constitute about 14 percent of active-duty enlisted personnel and 16 percent of active officers.<sup>64</sup> Those numbers have increased steadily since the beginning of the all-volunteer force, when roughly 2 percent of military personnel were female.

The increase in the representation of women in the military can be partly attributed to policy changes by lawmakers and DoD officials. For example, in 1967, the statutory ceiling that had limited the number of female personnel to no more than 2 percent of the force was lifted.<sup>65</sup> Restrictions on the service of women in particular units or occupational skills were eased as well. By 1994, female personnel could serve on naval vessels and aircraft that were assigned to combat, and most military occupations and positions were opened to women.<sup>66</sup> However, female service members continue to be barred from ground combat occupations (such as infantry and tank crew), from certain types of units (such as special-operations forces), and from Navy submarines.

63. In 2005, the average age of active-duty officers was 34, whereas the average age of enlisted personnel was 27.

64. Women's representation in the reserve components is slightly higher: They made up 17 percent of the reserve enlisted force and 19 percent of the reserve officer corps in 2005.

65. That ceiling was contained in Public Law 90-130.

66. See the memorandum from Secretary of Defense William Perry, *Application of the Definition of Direct Ground Combat and Assignment Rule* (July 28, 1994).

Although women may not serve in units whose primary mission is to engage in direct ground combat, they fill various support roles—such as truck driver or military police—in theaters of combat. Some of the support units to which women are assigned have engaged with or been engaged by enemy forces. As of December 2006, approximately 10 percent of the 205,000 active U.S. service members deployed in support of operations in Iraq and Afghanistan were women; through that date, about 60 women had been killed in those operations (3 percent of total fatalities).

**Race and Ethnicity.** To answer the question of who has been fighting in the most recent operations, CBO examined how the representation of racial and ethnic groups in the armed forces compares with the composition of U.S. society and the extent to which various racial and ethnic groups have been represented among deployed personnel and fatalities in Iraq and Afghanistan.

*Representation in the Force.* Predictions that the AVF would be composed mainly of minorities have not come true. Members of the U.S. military are racially diverse (see Table 2). As of September 2006, nonwhite service members made up 26 percent of the active enlisted force and 14 percent of the active officer corps. White service members constituted 68 percent of the enlisted force and 81 percent of officers.<sup>67</sup> (In each case, the racial composition of an additional 6 percent of the force was unknown.)<sup>68</sup> Those rates vary by gender, with minorities being more heavily represented among women.<sup>69</sup>

67. In 2003, DoD changed its reporting of race and ethnicity. Before that year, service members were typically classified as either white, black, Hispanic, or other. The white, black, and other categories did not include people of Hispanic background, who were counted as a separate group. In 2003, DoD began reporting race and ethnicity separately. It now typically categorizes service members' race as white, black, or other and, separately, their ethnicity as Hispanic or non-Hispanic. Under those definitions, the white and black racial categories can include people of Hispanic origin. The share of service members categorized as white increased by about 6 percent with the redefinition, but the share of enlisted personnel in the black category did not change significantly, because relatively few black personnel claim Hispanic origin.

68. Percentages are probably 1 to 2 points higher for nonwhite service members and 3 to 4 points higher for white service members, depending on the composition of personnel whose race was recorded as unknown.

69. Racial representation in the reserve components is roughly similar to that in the active-duty force, although nonwhites make up a somewhat smaller percentage.



**Table 2.**

### Racial and Ethnic Composition of Active-Duty Military Personnel and U.S. Civilians

|                                 | Percentage of<br>Active-Duty Force <sup>a</sup> |          | Percentage of<br>Civilians<br>Ages 17 to 49 <sup>b</sup> |
|---------------------------------|---|----------|--|
|                                 | Enlisted<br>Personnel                           | Officers |  |
| Race                            |   |          |  |
| White                           | 68  | 81       | 80   |
| Black                           | 19  | 9        | 14   |
| All others <sup>c</sup>         | 7   | 5        | 6  |
| Unknown                         | 6   | 6        | n.a.   |
| Hispanic Ethnicity <sup>d</sup> | 11  | 5        | 14   |

Source: Congressional Budget Office based on Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05); and Department of Defense, Defense Manpower Data Center.

Note: n.a. = not applicable.

a. As of September 2006.

b. As of 2005.

c. Includes Asians, Native Americans, Pacific Islanders, and people who identify themselves as multiracial, among others.

d. Hispanics may be of any race.

Black service members—the largest minority group in the military—were slightly underrepresented among recruits to the active enlisted force in 2005. They made up 13 percent of new recruits that year, versus 14 percent of the U.S. population of prime recruiting age (18 to 24).<sup>70</sup> Because black personnel have been a larger share of recruits in the past and because they have relatively high retention rates, however, they account for a larger share of the active enlisted force as a whole: 19 percent, compared with 14 percent of the civilian population of 17- to 49-year-olds. Black service members make up a smaller percentage of the active officer corps: 9 percent. That figure is close to their 8 percent share of the population most comparable to military officers (college graduates ages 21 to 49).

70. 2005 was the most recent year for which data on the racial composition of new recruits and comparably aged civilians were available. The data for the racial composition of the entire force (shown in Table 2) are as of September 2006.

By contrast, people of Hispanic background (who can be of any race) are underrepresented in the military. They make up about 11 percent of the enlisted force and 5 percent of the officer corps, despite accounting for about 14 percent of civilians ages 17 to 49.

Other racial groups—which include Asians, Native Americans, Pacific Islanders, and people who identify themselves as multiracial—together make up 7 percent of the active enlisted force and 5 percent of the officer corps. Those percentages are roughly comparable to their total representation among civilians of similar ages (6 percent).

*Changes in Representation over Time.* The current proportion of black personnel in the AVF is higher than that experienced during the Vietnam era under the mixed draft/volunteer force. In 1969, 13 percent of enlisted Army personnel and 11 percent of total enlisted military personnel were black, according to the report of the President's Commission on an All-Volunteer Armed Force (compared with 12 percent of the young male population at that time).<sup>71</sup> Among service members whom the commission identified as true volunteers, black representation was higher: 18 percent of enlisted Army volunteers and 13 percent of enlisted volunteers as a whole.

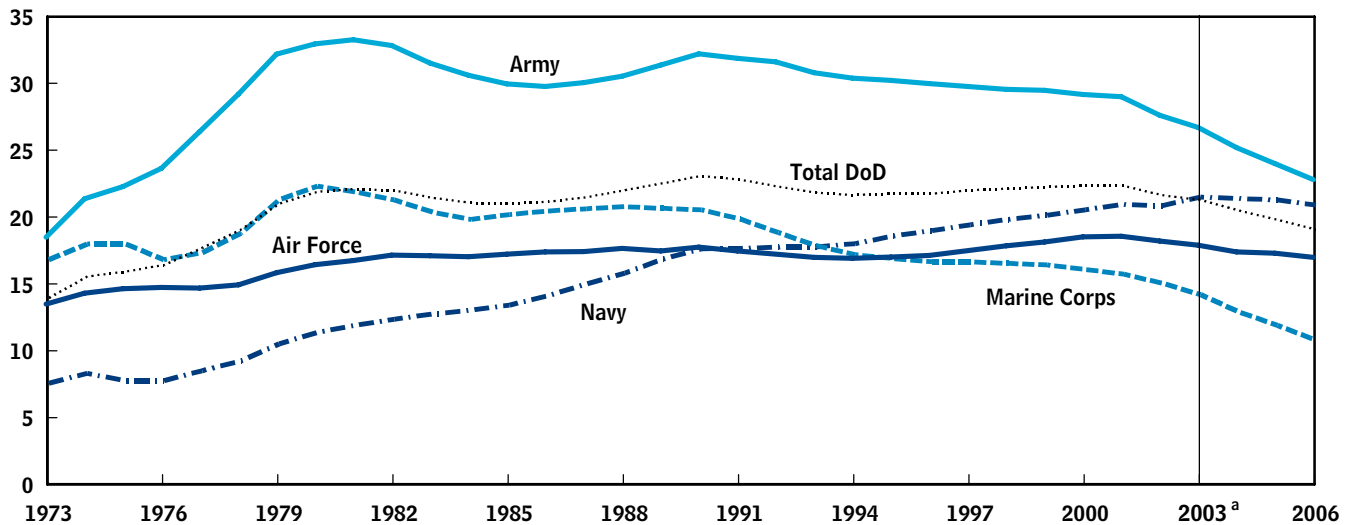
Overall, the proportion of black service members grew rapidly after the inception of the all-volunteer force. A 1997 RAND study attributed part of the increase to a rise in the percentage of black youth who qualified for service relative to nonblack youth.<sup>72</sup> More black men ages 18 to 21 were scoring in categories I to III on the AFQT than in earlier years, and more were completing high school. In addition, the study's author argued that a change in Army testing procedures in 1973 eliminated a cultural bias present in earlier tests. Economic factors also contributed to the initial increase in black representation, as civilian employment options for black youth worsened. According to the study, the unemployment rate for black youth rose by more than 10 percentage points in the mid-1970s from the level of the late 1960s, while the unemployment rate for white youth was more than 5 percentage points higher in the same period. The proportion of black personnel in the enlisted force as a whole rose to 22 percent in the early 1980s and remained at about

71. *Report of the President's Commission on an All-Volunteer Armed Force*, pp. 143–144.

72. Cooper, *Military Manpower and the All-Volunteer Force*, pp. 213–219.

**Figure 7.****Percentage of Black Personnel in the Active Enlisted Force, by Service, 1973 to 2006**

(Percent)



Source: Congressional Budget Office based on data from Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services* (various years); and Department of Defense, Defense Manpower Data Center.

- a. The definitions of the military's self-reported racial and ethnic categories changed in 2003. Before then, the "black" and "white" categories did not include people of Hispanic background. After the change, those racial categories included people of Hispanic origin (who can be of any race). The percentages in the "black" category did not change significantly, however, because few black service members identify themselves as Hispanic.

21 percent to 23 percent through 2001, although it has declined somewhat since then.

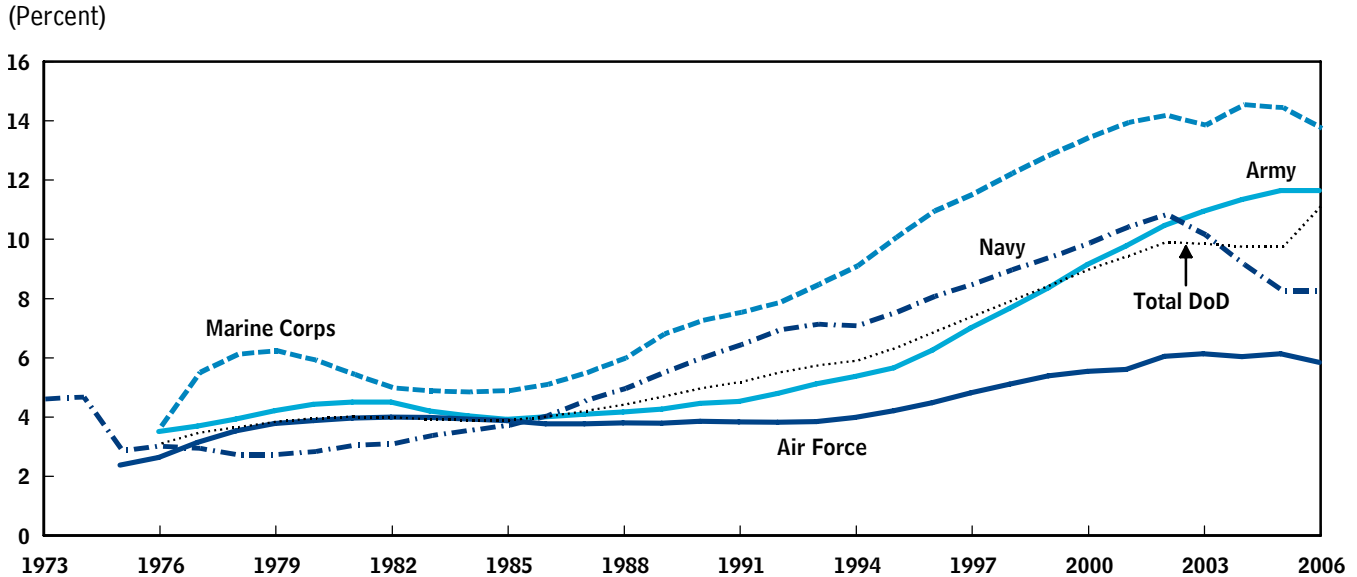
Black people's representation in the enlisted force has varied by service, with black soldiers consistently making up a larger proportion of the Army than of the other services (see Figure 7). On average, black service members accounted for 29 percent of enlisted personnel in the Army between 1973 and 2006, versus 18 percent in the Marine Corps, 17 percent in the Air Force, and 16 percent in the Navy. (In recent years, however, the difference in participation rates between the Navy and Army has largely disappeared.) The average for the enlisted force as a whole over that 33-year period was 21 percent—larger than the percentage in September 2006.

The pattern of increased participation by black personnel in the early AVF was more pronounced in the Army than in the other services. Black representation in the Army climbed from 18 percent in 1973 to a peak of 33 percent

in the early 1980s. It dipped temporarily in the mid-1980s before beginning a gradual decline, from 32 percent in 1990 to 29 percent in 2000. Although black soldiers still make up more than one-fifth of the Army, their representation has experienced a large, steady drop since 2001, partly because of a decline in black enlistment.<sup>73</sup> According to the most recent data that CBO obtained from DoD, the percentage of Army recruits without prior service who are black dropped from 22 percent to 14 percent between 2001 and 2004. (For the active components of the four services as a whole, that percentage fell from 20 percent to 15 percent over the 2001–2004 period.)

Economic factors may be partly responsible for the lower share of black recruits. Compared with levels in 2000,

73. The proportion of the Marine Corps that is black has also declined significantly, from 16 percent in 2001 to 11 percent in 2006. Over that period, the Air Force experienced a smaller drop (from 18 to 17 percent), while the proportion in the Navy remained stable (at 21 percent).

**Figure 8.****Percentage of Hispanic Personnel in the Active Enlisted Force, by Service, 1973 to 2006**

Source: Congressional Budget Office based on data from Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services* (various years); and Department of Defense, Defense Manpower Data Center.

Notes: People of Hispanic origin can be of any race.

Data on percentages of Hispanic personnel were not available for the Air Force before 1975 and not available for the Marine Corps and Army (and hence for DoD as a whole) before 1976.

unemployment rates have increased more for white youth than for black youth in recent years, which may have led more white people to consider the military. Significant increases in military pay and benefits (such as above-average raises in basic pay and allowances) took effect at roughly the same time. Together, those factors may have changed the relative attractiveness of military service to some racial groups.

The proportion of Hispanics in the active enlisted force has also risen during the AVF years (see Figure 8). The Marine Corps had the highest proportion of Hispanic enlisted personnel starting in the late 1970s, with further increases since then. Between 1976 and 2006, on average, Hispanic members made up 9 percent of enlisted personnel in the Marine Corps, 6 percent in the Army and Navy, and 4 percent in the Air Force. By comparison, the Hispanic population as a whole grew from 11 million (5 percent of the U.S. population) to 43 million (14 percent) over the 1973–2005 period.<sup>74</sup>

*Military Occupations, Deployment, and Fatalities.* One of the concerns expressed about instituting an all-volunteer force was the possibility that certain minority groups might bear more than their share of combat and casualties because they would make up a larger proportion of the military than of the U.S. population.<sup>75</sup> To explore that issue, CBO obtained data from DoD on racial representation by military occupation, deployment status, and number of fatalities among active and reserve personnel deployed in support of Operation Enduring Freedom (OEF) in Afghanistan and Operation Iraqi Freedom (OIF). CBO compared those data with the racial and

74. Data on people of Hispanic or Latino origin come from Bureau of the Census, *Statistical Abstract of the United States* (various years).

75. For more on that issue, see Rostker, *I Want You! The Evolution of the All-Volunteer Force*; and Charles C. Moskos and John Sibley Butler, *All That We Can Be: Black Leadership and Racial Integration the Army Way* (New York: Basic Books, 1996).

ethnic composition of the military's overall enlisted force and officer corps.<sup>76</sup>

Although the comparison included all military occupations, CBO focused on jobs that are closer to the front lines of combat and hence face greater risk of injury or death. For the active enlisted force, the occupational group titled "Infantry, Gun Crews, and Seamanship" best fits that description. That category, which covers all four services, includes specific combat specialties within each service, such as infantryman, special forces, tank crewman, and gunner's mate. For active-duty officers, CBO focused on the occupational group "Tactical Operations," which includes fighter/bomber pilots, aircraft crews, ground and naval arms specialists, missile specialists, and operations staff.<sup>77</sup> (Because of data limitations, CBO did not examine racial and ethnic representation by occupation in the reserve forces.)

Among active-duty enlisted personnel, the racial and ethnic composition of the "Infantry, Gun Crews, and Seamanship" occupational group is roughly similar to that of the enlisted force as a whole, with a few exceptions. White service members are overrepresented in those combat-related occupations, at 75 percent versus 68 percent of the enlisted force (see the top panel of Figure 9).<sup>78</sup> Black service members are underrepresented in that combat-related occupational group, accounting for 13 percent of those positions but 19 percent of the enlisted force.

The various racial and ethnic groups in the military have been deployed to Afghanistan and Iraq in similar proportions to their representation in the overall enlisted force. For example, white service members make up 68 percent

of the enlisted force and 70 percent of personnel deployed to OEF and OIF. Black service members represent 19 percent of the force and 18 percent of deployed personnel. Service members of Hispanic origin constitute 11 percent of the enlisted force and 12 percent of deployed personnel.

An examination of the data on fatalities reveals the same pattern: Death rates among minority personnel in war-time theaters (combat deaths as well as those from disease, accidents, and other causes) are no greater than minorities' representation in the force. White service members account for 76 percent of fatalities in OEF and OIF, compared with 68 percent of the active enlisted force. Conversely, although black personnel constitute 19 percent of the active enlisted force, they make up 13 percent of fatalities in those two operations. Deaths among all other racial groups and among personnel of Hispanic origin have been roughly proportional to their representation in the force. Studies of fatalities in past U.S. operations also concluded that black troops were not killed at a greater rate than their representation in the military.<sup>79</sup>

For officers in the active force, CBO found more or less the same pattern in the composition of combat-related occupations, deployed personnel, and fatalities (see the bottom panel of Figure 9). The racial and ethnic composition of officers deployed in support of OEF and OIF is roughly proportional to that of the active-duty officer corps as a whole. However, white officers account for a larger share of deaths in those operations than their representation in the officer corps (89 percent versus 81 percent), and black officers account for fewer deaths than their representation (3 percent versus 9 percent).

The military's reserve components also contain combat forces, as well as a significant proportion of the units that provide support (such as logistics and engineering services) to combat units. For example, about two-thirds of the Army's combat-service-support personnel—troops who provide services such as supply, maintenance, and transportation—are in the Army National Guard and

76. The data were compared with representation in the AVF instead of representation in society because the former offers a more proximate comparison. It is possible for a racial or ethnic group to be underrepresented in the force relative to its share of the population at large and yet be overrepresented in, say, deployments relative to its representation in the force. In that case, comparing the group's representation in deployments with its representation in society could conceal its disproportionate role in deployments.

77. CBO based its analysis on the primary occupational field for which personnel were trained.

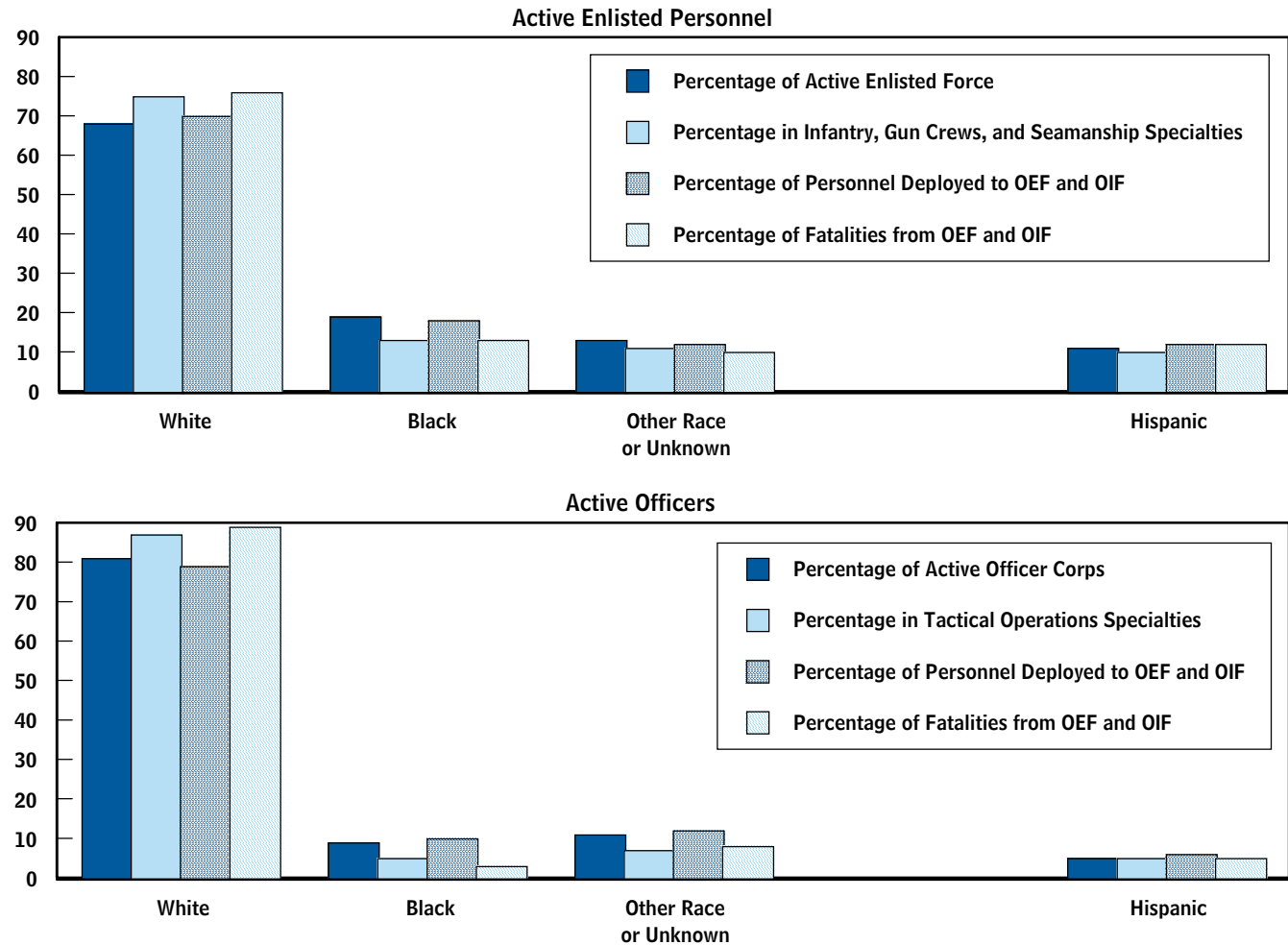
78. As noted earlier, the racial composition of about 6 percent of active-duty service members is unknown, so the actual percentages of white and nonwhite personnel may be slightly higher than reported above.

79. See Moskos and Butler, *All That We Can Be*. The authors presented the percentage of African Americans killed in seven previous operations: Vietnam (1964–1975), 12 percent; Mayaguez (1975), 7 percent; Lebanon (1983), 18 percent; Grenada (1983), 0 percent; Panama (1989), 4 percent; first Gulf War (1991), 15 percent; and Somalia (1992–1993), 7 percent.

**Figure 9.**

## Racial and Ethnic Representation in Military Occupational Specialties, Deployments, and Fatalities Among Active-Duty Personnel

(Percent)



Source: Congressional Budget Office based on data from Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05); Department of Defense, Statistical Information Analysis Division; and Department of Defense, Defense Manpower Data Center.

Notes: OEF = Operation Enduring Freedom; OIF = Operation Iraqi Freedom. Data on personnel deployments and fatalities for those operations are as of December 2006.

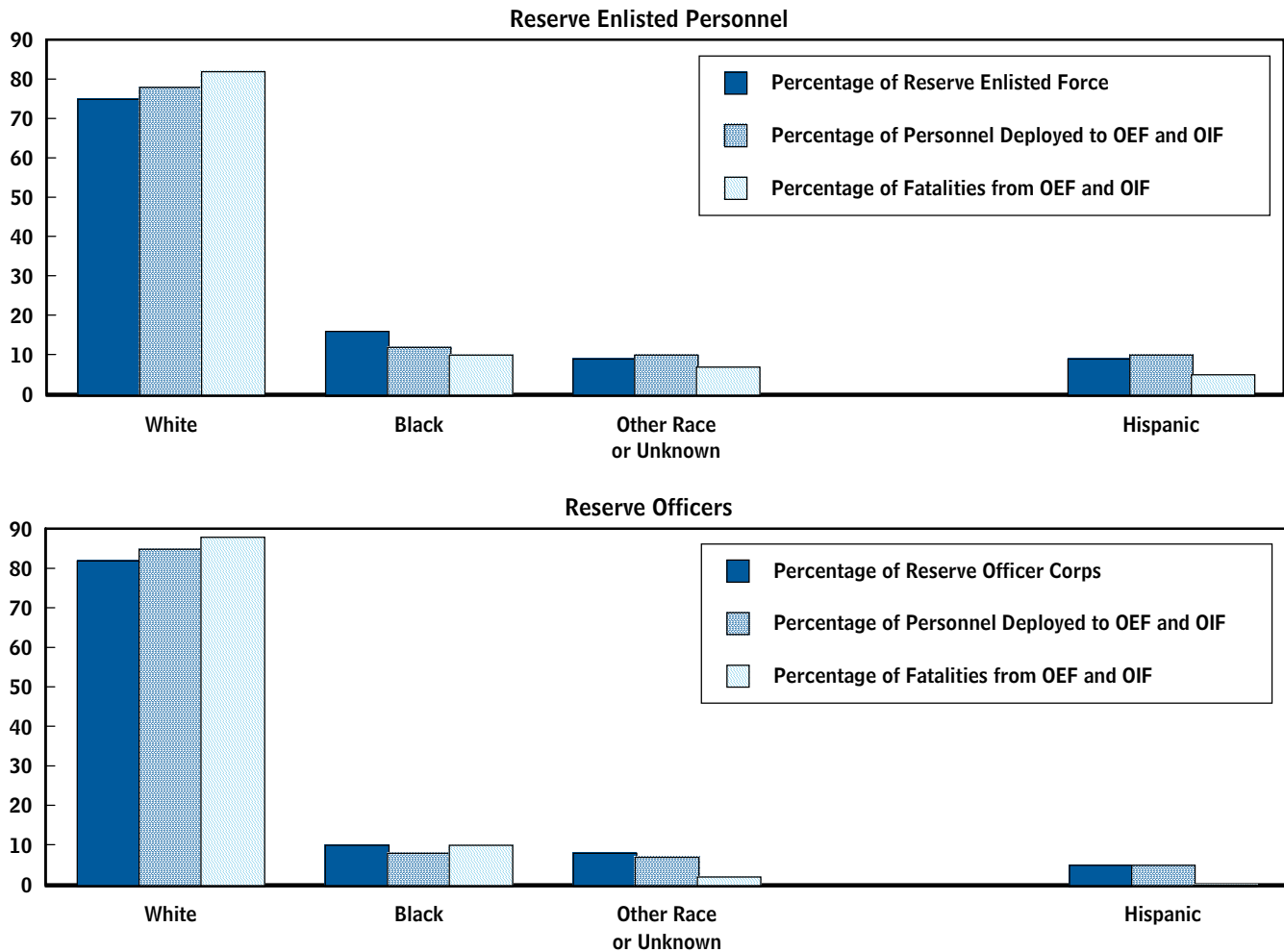
"Other Race" includes Asians, Native Americans, Pacific Islanders, and people who identify themselves as multiracial, among others. People of Hispanic origin can be of any race.

The racial composition of about 6 percent of active enlisted personnel and officers is unknown. Depending on their actual racial composition, the percentages of white and nonwhite service members should be somewhat higher than shown here.

**Figure 10.**

## Racial and Ethnic Representation in Deployments and Fatalities Among Reserve Personnel

(Percent)



Source: Congressional Budget Office based on data from Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services: Fiscal Year 2005* (2007), available at [www.humrro.org/poprep/poprep05](http://www.humrro.org/poprep/poprep05); Department of Defense, Statistical Information Analysis Division; and Department of Defense, Defense Manpower Data Center.

Notes: OEF = Operation Enduring Freedom; OIF = Operation Iraqi Freedom. Data on personnel deployments and fatalities for those operations are as of December 2006.

"Other Race" includes Asians, Native Americans, Pacific Islanders, and people who identify themselves as multiracial, among others. People of Hispanic origin can be of any race.

The racial composition of about 5 percent of reserve enlisted personnel and officers is unknown. Depending on their actual racial composition, the percentages of white and nonwhite service members should be somewhat higher than shown here.

Because of data limitations, CBO did not examine the occupational representation of the reserve forces.

Army Reserve. Since the onset of the war on terrorism, units in the reserve components have been called up and deployed in large numbers.

The composition of reserve personnel deployed in support of Operations Enduring Freedom and Iraqi Freedom is roughly similar to the makeup of the reserve forces, and minorities are not overrepresented among reservists' deaths in those operations (see Figure 10). In both the enlisted and officer ranks of the reserves, white personnel make up a greater share of fatalities than they do of the force (82 percent versus 75 percent for enlisted personnel, and 88 percent versus 82 percent for officers).<sup>80</sup> The converse is true for enlisted reservists from minority groups. For example, black service members account for 10 percent of deaths among enlisted reservists in OEF and OIF but 16 percent of the reserve force as a whole. For Hispanic personnel, the figures are 5 percent versus 9 percent. Among the relatively small number of black reserve officers, fatalities have been in line with representation in the officer corps.

**Geographic Representation.** Young people in different regions of the United States enlist in the military at different rates. The factors that affect geographic representation among new recruits include how local civilian wages and salaries compare with military pay, local rates of unemployment and college enrollment, and other demographic patterns. Changes in those factors in one region relative to another can also influence how geographic representation shifts over time.

A region's share of military recruits can also be affected by changes in the overall geographic distribution of the U.S. population, especially the population between the ages of 18 and 24. To control for that effect, CBO used representation ratios—the percentage of all new recruits from a region relative to the percentage of all 18- to 24-year-olds from that region—to examine differences in the geographic representation of recruits among four parts of the country in 1980, 1990, 2000, and 2005 (the years for which data were available).<sup>81</sup> A ratio of less than 1.0

indicates that an area is relatively underrepresented; a ratio greater than 1.0 indicates the opposite.

In each of the years in CBO's analysis, the South supplied more recruits than its share of the youth population, as indicated by representation ratios over 1.0 (see Figure 11). Moreover, that region's importance to the military has grown over time. The West has also become more important as a source of recruits. Whereas it was underrepresented in earlier years, by 2005, the percentage of recruits from the West was roughly on a par with its share of the youth population. The representation of the Northeast has declined since 1980; it was underrepresented among new recruits in 2005, with a ratio of less than 0.8. The representation of the Midwest region has fluctuated, but that part of country was just about evenly represented in 2005, with a representation ratio of almost 1.0.<sup>82</sup>

**Socioeconomic Status.** One of the key concerns about an all-volunteer force has been that it would disproportionately consist of recruits from lower-income households, while young people from middle- and upper-income households would opt out of military service altogether. Previous studies by various researchers and new analysis by CBO suggest that individuals from all income groups are represented roughly proportionately in the enlisted ranks of the AVF. However, CBO's tabulations indicate that young people from the very highest- and lowest-income families may be somewhat less likely than others to join the military. (None of the studies examined the socioeconomic backgrounds of people who join the officer corps, apparently because of data limitations.)<sup>83</sup>

*Studies Using Zip-Code-Based Data.* Reliable information on the socioeconomic status of recruits—as measured by their family's income, wealth, or occupations—is scarce. The Department of Defense does not regularly collect information about recruits' family background. And in

80. The racial composition of an additional 5 percent of reserve enlisted personnel and officers was unknown. Representation is probably 3 to 4 percentage points higher than stated for white reservists and 1 to 2 percentage points higher for nonwhite reservists, depending on the composition of personnel whose race was recorded as unknown.

81. This analysis uses the Census Bureau's definition of regions, as described in Figure 11.

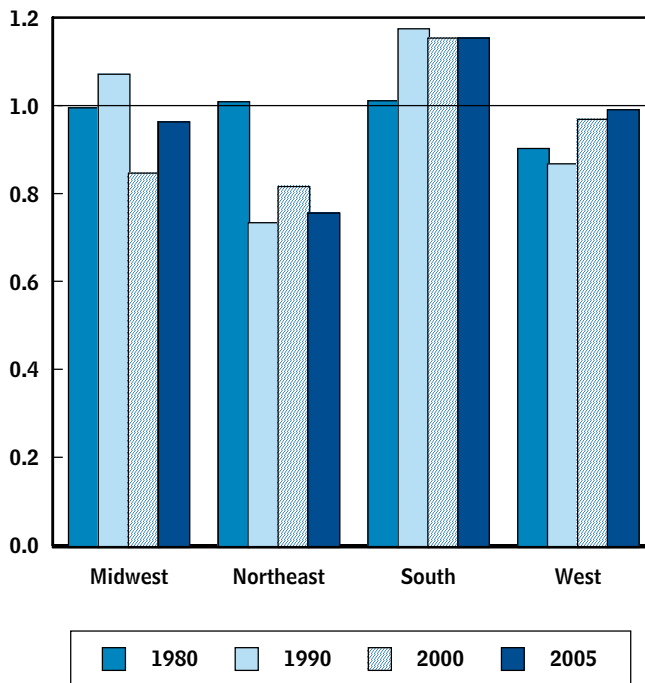
82. The Midwest region was referred to as the North Central region until 1984, when that designation was changed.

83. Although no data are available that detail the distribution of income among officers before they joined the military, because people are required to have college degrees to serve as officers, and because earning a college degree is correlated with parental income, officers may be less likely than enlisted personnel to come from lower-income households.

**Figure 11.**

## Changes in the Geographic Representation of Recruits Since 1980

(Representation ratio)



Source: Congressional Budget Office based on data from Department of Defense, Office of the Under Secretary of Defense for Personnel and Readiness, *Population Representation in the Military Services* (various years); and Department of Commerce, Bureau of the Census.

Notes: The numbers shown here are representation ratios, which account for geographic changes in the U.S. population over time by measuring the percentage of all new recruits from a region relative to the percentage of all 18- to 24-year-olds from that region. A representation ratio greater than 1.0 means that a region is overrepresented, whereas a ratio less than 1.0 implies that the region is underrepresented.

According to the Census Bureau's definition of regions, "Midwest" (formerly "North Central") consists of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas. "Northeast" contains Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, and Pennsylvania. "South" covers Delaware, Maryland, the District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas. "West" consists of Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, and Hawaii.

any case, recruits' knowledge of their parents' financial well-being may be incomplete or inaccurate.

As an alternative, several researchers have compared the characteristics of areas where recruits lived before joining the military with the home areas of their civilian counterparts, using census data. The Census Bureau provides aggregated data on population, income, and broad demographic characteristics in five-digit zip-code areas for most of the U.S. population. Lacking data on individuals, researchers have used the median incomes in recruits' home zip-code areas to measure their socioeconomic background and compared those median incomes with a civilian income distribution. That method gives a sense of whether recruits come from a representative mix of lower-, middle-, and higher-income areas.

To accurately reflect the family background of recruits, the median incomes in recruits' home zip-code areas must closely approximate the median incomes of the recruits' families themselves. If recruits are drawn from the lower (or higher) end of the income distribution in their zip-code area, the results will overstate (or understate) the portion of recruits who come from higher-income families. It is easy to imagine a zip-code area consisting largely of older retired people on fixed incomes, in which the parents of military recruits are in the workforce and thus have above-average incomes. It is equally easy to imagine a zip code in a wealthy suburb, in which the higher-income families send most of their children to college while the less-affluent youth consider military service. The greater the variation in income within a zip code, the larger the errors that can result from relying solely on median values.

Compounding that problem, income comparisons are also highly sensitive to the particular civilian comparison group that a researcher chooses. Because the vast majority of recruits enter the military directly from high school, having presumably lived with their parents or guardians, the most appropriate group for comparison is households headed by parents or guardians of civilian youth. However, income distributions for that subset of households are not readily available.

All the studies known to CBO use a similar methodology to determine the distribution of income of recruits' home areas; however, each study uses a different civilian population group for the income comparisons. For example, a



1977 study by RAND used the zip code as the basic data element but gave equal weight to each zip-code area (regardless of differences in population in those areas) when estimating the overall U.S. income distribution.<sup>84</sup> A 1989 study by CBO improved on that method by weighting the median income for each zip-code area by the total population in that area to estimate the overall income distribution.<sup>85</sup>

More recently, a study by the National Priorities Project (NPP) analyzed the proportion of 18- to 24-year-olds in a given income range who joined the active Army in 2004, 2005, and 2006.<sup>86</sup> The study looked at the share of Army recruits living in zip-code areas where the median household income was in a specific range and compared that share with the percentage of the total youth population living in those areas. The authors constructed ratios of those shares: A ratio greater than 1.0 indicates that a given income range is overrepresented in the Army; a ratio of less than 1.0 means the opposite.

Finally, a study published last year by the Heritage Foundation computed the distribution of income among civilian households by obtaining the median incomes of zip-code areas where 18- to 24-year-olds live, either as heads of households or as dependents.<sup>87</sup> Those median incomes were weighted by the distribution of 18- to 24-year-olds among the various zip codes (so that median incomes of areas with more people in that age group received more weight). Both that and NPP's method are also subject to the criticism that median household income is a crude measure of the income of specific individuals.

Because of methodological problems with using zip-code data, conclusions about recruits' family income that are based on any of those studies should be considered tentative. Nevertheless, all of the studies determined that the AVF has attracted recruits from the poorest to the wealthiest of areas.

The RAND study examined both the draft-lottery era (1971 and 1972) and the early AVF (January 1973 through June 1975). It concluded that the income distributions of home areas for enlisted recruits were almost identical during the two periods. In both cases, the 10 percent of zip codes in the lowest-income areas produced 4 percent of recruits, and the 10 percent of zip codes in the highest-income areas yielded 8 percent of recruits. About 55 percent of recruits came from zip codes in the middle 50 percent of the income distribution.

The CBO study from 1989 compared two years, 1980 and 1987. In both years, the lowest-income areas were slightly overrepresented among military recruits and the highest-income areas were underrepresented. For instance, approximately 11 percent to 13 percent of recruits in both 1980 and 1987 came from areas with family income levels in the lowest 10 percent of the income distribution, while about 6 percent of recruits came from areas in the top 10 percent of the income distribution. Of the 100 zip codes in the United States with the highest median incomes, more than three-quarters were represented in the 1987 cohort of recruits. However, overall enlistment rates from those zip codes were about one-fifth of the national average. The study also found that in 1987, black recruits were more likely to come from areas with the highest black family incomes, a change from earlier in the decade. That shift may have reflected the military's higher graduation standards and the attractiveness of the newly created Montgomery GI Bill to black youth who were interested in eventually enrolling in college.

According to the NPP study, zip-code areas with low to middle median household incomes (between \$30,000 and \$59,999) were overrepresented among Army recruits from 2004 to 2006.<sup>88</sup> Zip-code areas with median incomes below \$30,000 or above \$60,000 were underrepresented in those years. (By comparison, the median U.S. household income was \$47,837.)

Unlike those other analyses, the 2006 study by the Heritage Foundation concluded that recruits were coming disproportionately from the top 40 percent of the income distribution.

84. Cooper, *Military Manpower and the All-Volunteer Force*.

85. Congressional Budget Office, *Social Representation in the U.S. Military* (October 1989).

86. National Priorities Project, "Military Recruiting 2006," available at [www.nationalpriorities.org/Publications/Military-Recruiting-2006.html](http://www.nationalpriorities.org/Publications/Military-Recruiting-2006.html). NPP is a nonprofit research organization that analyzes data on federal spending and policies.

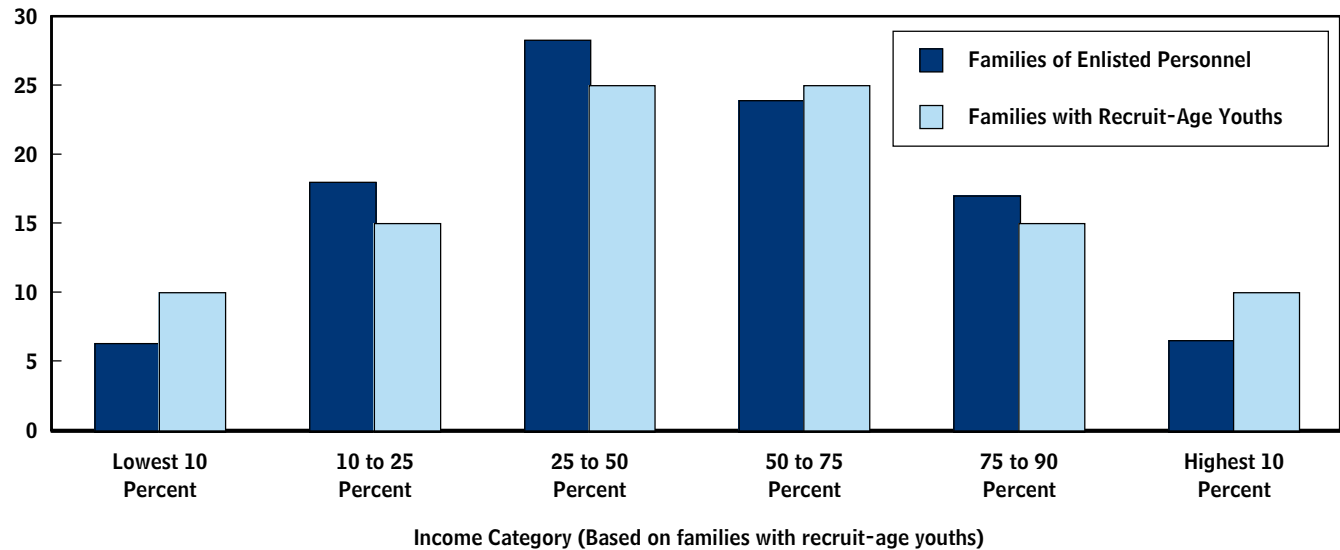
87. Tim Kane, *Who Are the Recruits? The Demographic Characteristics of U.S. Military Enlistment, 2003–2005*, CDA06-09 (Washington, D.C.: Heritage Foundation, 2006).

88. For a graphic illustration of the study's results, see [www.nationalpriorities.org/charts/Army-recruits-by-neighborhood-income-2004-2005-2006.html](http://www.nationalpriorities.org/charts/Army-recruits-by-neighborhood-income-2004-2005-2006.html).

**Figure 12.**

## Distribution of Active-Duty Enlisted Personnel, by Family Income Prior to Military Service

(Percent)



Source: Congressional Budget Office based on data for 2000 from the National Longitudinal Survey of Youth conducted by the Department of Labor's Bureau of Labor Statistics.

*Analysis Using Parent-Reported Data.* To avoid some of the problems of the approach based on zip codes, CBO recently analyzed the family incomes of young people using the National Longitudinal Survey of Youth (NLSY). The survey sample that CBO used includes more than 5,000 teenagers who were first interviewed in 1997 and have been reinterviewed each year since then. CBO identified the young people in that survey who were serving in the enlisted ranks of the active-duty military in 2000, between the ages of 17 and 21, and compared their family incomes before their military service with the family incomes of the rest of the young people in the survey.<sup>89</sup> Unlike in the previous studies, that sample does not represent new recruits in a particular year (in this case, 2000) but rather young enlistees as of that year. An advantage of that method is that it uses direct information about the socioeconomic background of the recruits as reported by their parents. Additionally, the

civilian comparison group consists of other households with teenage children residing in them, an appropriate comparison. The disadvantage of using the NLSY is that the sample of enlisted service members in the survey totaled just over 100 people, albeit weighted to reflect the total U.S. population. Because of the small sample size, these results should also be considered tentative.

CBO's analysis suggests that youth are represented in the military at all socioeconomic levels. However, young people from the lowest-income and highest-income families are less likely to be represented in the enlisted force than their peers (see Figure 12). By contrast, young people whose family incomes are in the 10th to 25th percentiles, the 25th to 50th percentiles, and the 75th to 90th percentiles are slightly overrepresented in the military.

Those results are consistent with a DoD survey of recruits conducted in 1999 that compared selected characteristics of recruits' family backgrounds with those of their civilian counterparts.<sup>90</sup> The employment status of their fathers

89. The NLSY sample draws disproportionately from the lower end of the income distribution. CBO weighted the full sample to represent U.S. households with children in residence. As a result, the characteristics of the military subset of that sample should be representative of young enlisted personnel in 2000. Because of the ages of the young people included in the NLSY, CBO's sample did not contain any military officers.

90. Department of Defense, *Population Representation in the Military Services, Fiscal Year 1999* (November 2000), available at [www.dod.mil/prhome/poprep99/](http://www.dod.mil/prhome/poprep99/).

was almost identical for recruits and recruit-age civilians: 90 percent and 89 percent, respectively, were employed. The distribution of occupations for the two groups' fathers was broadly similar, though with some differences: fewer recruits had fathers who were employed in the typically higher-paid executive, administrative, managerial, or professional occupations than the recruit-age civilian population did (25 percent versus 34 percent).

CBO's results are also broadly consistent with the NPP study's findings that zip-code areas with household incomes well below and well above the median income were underrepresented among recruits, whereas areas in the low-to-middle range of household incomes were overrepresented. (Neither of those studies is consistent with the Heritage Foundation's conclusion that recruits come disproportionately from the top 40 percent of the income distribution.)

## Some Implications of Reinstating the Draft

Currently, young men are required to register for a possible military draft with the Selective Service System within 30 days of their 18th birthday. The system is charged with providing untrained personnel (or people with professional health care skills) to the Department of Defense for military service if directed by the Congress and the President in a national crisis. Although the Selective Service System does not classify the readiness of registrants for military service, it employs part-time state directors and has thousands of trained, unpaid volunteers for local review and appeal boards who would classify registrants as required in a time of national emergency.

Should the nation decide to resume a draft under the current governing statute (the Military Selective Service Act of 1940, as amended), a defined sequence of events would occur before draftees began to enter military training.<sup>91</sup> The first step required would be for the Congress and President to enact a law authorizing a resumption of an active draft. A random lottery would then be held to determine which registered men would be called up for possible induction.<sup>92</sup> (Multiple lotteries could be conducted over the course of the national emergency, depending on the number of draftees required.) Men between the ages of 18 and 26 would be liable for

induction, although current plans state that men who turn 20 during the draft year would be called first, followed in age sequence by 21-year-olds through 25-year-olds, as needed.

After the lottery, registrants who had been called up would report to a military entrance-processing station for a physical, mental, and moral evaluation to determine whether they were fit for military service. Registrants could then file a claim for exemption, postponement, or deferment based on existing statutory regulations. Concurrently, Selective Service workers would report for duty, and local review and appeal boards would begin processing registrants' claims. DoD requires the Selective Service System to begin delivering inductees within 193 days of starting operations.

Revisions to the Military Selective Service Act in the late 1960s and early 1970s limited deferments from military training and service, particularly those based on attending college or graduate school. Under current law, undergraduate students who were selected for service would be allowed to complete their semester or, in some cases, their full year of school. Deferments for married men are not permitted, although deferments for people who have dependents or are employed in certain occupations may be granted on a case-by-case basis.

Besides procedural considerations, a reinstatement of the draft would raise various substantive issues related to force size and personnel policies in the military. Those issues include the size of the draft and its effect on the personnel structure of the armed forces, the amount of time that would be needed for draftees to be available for deployment, possible budgetary effects, and equity considerations.

## Size of the Draft and Effects on Personnel Structure

The U.S. military currently consists of 1.4 million personnel in the active component and 840,000 personnel in the National Guard and Reserve. Of those, about 205,000 were deployed in support of Operations Enduring Freedom and Iraqi Freedom in December 2006.

91. Those steps are laid out at the Selective Service System's Web site, [www.sss.gov/seq.htm](http://www.sss.gov/seq.htm).

92. The Military Selective Service Act, 50 U.S.C. Appendix 451 et seq., describes the eligibility and procedures for induction under a draft as well as permissible exemptions and deferments. As currently written, the law refers specifically to "male persons" in stating who must register and who would be drafted. If lawmakers wished to include women in the draft, the Selective Service Act would have to be amended.

Some of the factors that would bring about a decision to reinstate the draft would probably also affect the size of the draft. For instance, if the draft was intended to augment the current force in order to relieve stresses related to the war on terrorism, it would be a particular size. But if the draft was designed to completely replace the current all-volunteer force with inductees, it would be much bigger. Whatever the case, a draft would lead to changes in the military's accession requirements and in the experience and seniority levels of the force.

To give a rough idea of possible changes, CBO examined the likely force structure of the active Army under various scenarios, assuming that it either remained an all-volunteer force or used a draft to supplement or almost wholly replace volunteers. For that analysis, CBO first estimated the accession levels and continuation rates for service members at each level of experience that would be required for the current all-volunteer Army to achieve its end-strength goal for 2012 (as expressed in the latest Future Years Defense Program).<sup>93</sup> That goal is 547,400 soldiers: 92,700 officers and 454,700 enlisted personnel.<sup>94</sup> Then, CBO considered what would happen to end strength if voluntary accessions and continuation rates fell and draftees were used to make up the gap. For the scenarios that envision a mixed draft/volunteer force, CBO assumed that draftees would be required to serve for two consecutive years, as stipulated in the Military Selective Service Act. Volunteers would serve the same initial terms of active service that they do now, which generally range from four to six years.

#### **Personnel Requirements Under an All-Volunteer Force.**

Expanding the active Army from 419,350 enlisted personnel at the end of 2006 to 454,700 by the end of 2012 with an all-volunteer force would require the service to recruit and retain significant numbers of personnel. In the past few years, the Army has boosted recruiting

resources, such as enlistment bonuses, as well as financial incentives to retain people already in the service (selective reenlistment bonuses). The Army's recruiting target for 2007 is 80,000 enlisted personnel, the same as in the two previous years. Although the Army fell short of that goal in 2005 (obtaining 73,400 accessions), it achieved that level in 2006.<sup>95</sup> The overall continuation rate for existing personnel in 2005, 82.4 percent, was below the average rate experienced since 1990. But in 2006, the Army was able to turn that situation around and post one of the highest continuation rates of the previous 15 years, 84.5 percent overall.

In its first scenario, CBO assumed that the Army would maintain accessions and continuation rates at their 2006 levels in coming years. In that case, the service would reach its end-strength goal by 2012 (see Table 3). However, the combination of accession numbers and continuation rates at those levels has not been sustained at any time during the past 15 years.

In scenario 2, CBO assumed that continuation rates would drop to a mix of the 2005 and 2006 levels. That might occur either because reenlistment incentives were scaled back, other DoD policies changed, or the retention environment worsened. The Army would then need to recruit a larger number of personnel into the enlisted force—between 86,000 and 90,000 a year—to meet its 2012 target for end strength. However, the Army has not attracted that many recruits in any year since 1990.

In scenario 3, CBO assumed not only that continuation rates would drop to a mix of the 2005 and 2006 levels but also that voluntary enlistments would fall to 74,000 a year (roughly the number of recruits in 2005). In that case, the Army would fall short of its end-strength goal by almost 48,000 enlisted personnel in 2012.

**Personnel Requirements Under a Mixed Force of Volunteers and Draftees.** In its other three scenarios, CBO explored the implications of using draftees to eliminate the end-strength shortfall that would result if voluntary accessions fell or were restricted to less than last year's

93. Continuation rates measure the proportion of service members who remain in the military over a specific period regardless of the expiration of their contracts. For detailed information on the methodology that CBO used, see Congressional Budget Office, *Recruiting, Retention, and Future Levels of Military Personnel*.

94. If the size of U.S. forces in the Iraq theater fell to 15 brigades and remained at that level while the Army grew to 547,400 personnel by 2012, ground combat forces in the active components (including Marine Corps units) would have two units at their home stations for every unit deployed—a rotation ratio that meets the Army's goals.

95. In 2007, the Army met its monthly recruiting goals for the first seven months of the fiscal year but missed its targets for May and June. See Josh White, "Army's Recruiting Goal Lags for Second Month in a Row," *Washington Post*, July 10, 2007, p. A7.

**Table 3.**

### Effects of Voluntary and Draft Accessions on Future End Strength in the Active Army's Enlisted Force

| CBO's<br>Scenario           | Number of Annual Accessions by 2012 |                       | Overall Continuation Rate   | End Strength<br>in 2012 <sup>b</sup> |
|-----------------------------|-------------------------------------|-----------------------|-----------------------------|--------------------------------------|
|                             | Volunteers                          | Draftees <sup>a</sup> |                             |                                      |
| All-Volunteer Force         |                                     |                       |                             |                                      |
| 1                           | 80,000                              | 0                     | 2006 level                  | 547,400                              |
| 2                           | 86,000 to 90,000                    | 0                     | Mix of 2005 and 2006 levels | 547,400                              |
| 3                           | 74,000                              | 0                     | Mix of 2005 and 2006 levels | 499,500                              |
| Mixed Draft/Volunteer Force |                                     |                       |                             |                                      |
| 4                           | 74,000                              | 27,000                | Mix of 2005 and 2006 levels | 547,400                              |
| 5                           | 40,000                              | 94,000                | Mix of 2005 and 2006 levels | 547,400                              |
| 6                           | 5,000                               | 165,000               | Mix of 2005 and 2006 levels | 547,400                              |

Source: Congressional Budget Office.

Notes: Accessions are recruits who sign contracts with the military and report to basic training. Continuation rates measure the proportion of service members who remain in the military over a specific period (usually one year) regardless of the expiration of their contracts. End strength is the number of personnel on active duty on the last day of the fiscal year.

The active Army had 73,400 accessions in 2005 and 80,000 in 2006. Overall continuation rates in those years were 82.4 percent and 84.5 percent, respectively. End strength in 2006 was 505,400 enlisted personnel.

- a. Scenarios 4, 5, and 6 assume that the draft would begin in 2008. In the initial years, annual numbers of draftees would be smaller than the numbers shown here for 2012.
- b. The 2008 Future Years Defense Program calls for the active Army to have a total of 547,400 enlisted personnel and officers by the end of 2012.

high level (either slightly or significantly) and if continuation rates declined to a mix of the rates from 2005 and 2006. In these scenarios, CBO assumed that continuation rates for draftees would be similar to those for volunteers in their first two years (although about 90 percent of draftees leave the military when their two-year obligation expires). Because of the procedural issues involved in instituting a draft, CBO also assumed that the first batch of inductees would not be drafted until 2008.

In scenario 4, CBO assumed that voluntary accessions would plateau at the 2005 level of 74,000 recruits annually, as in scenario 3. But instead of falling almost 48,000 people short of its desired end strength in 2012, the Army would make up the difference through a draft. In that case, about 14,000 inductees would be needed in the first year, rising to about 27,000 a year by 2012 (see Table 3). When the force was fully constituted, inductees would make up just over one-quarter of annual accessions and about 10 percent of enlisted personnel.

With a draft, more recruits would be needed to reach a given end strength than is the case in an all-volunteer force. Under current law, individuals would be inducted for two years of service, substantially less than the initial obligations that are typical in today's AVF (although many service members leave the military before the end of their initial obligation because of medical problems, poor performance, or other reasons). Those shorter obligations mean that a draft system results in greater turnover, which necessitates a larger number of accessions.

In scenario 4, an annual total of more than 100,000 volunteers and inductees (rather than 86,000 to 90,000 volunteers) would be needed by the fifth year of the draft (2012) and thereafter to reach and maintain the end-strength goal. Accession cohorts of that size would be likely to strain DoD's existing entrance-processing and training infrastructure—whose capabilities are being further reduced by closings under the military's base realignment and closure process. The number of personnel devoted to training recruits and inductees would have to be boosted, and the costs of training would rise.

Another implication of the draft is that the force would become more junior and less experienced than the current AVF. Because inductees serve for a shorter time than volunteers, having larger numbers of draftees relative to volunteers would necessarily result in a force with fewer average years of service. In scenario 4, more than half of the Army's enlisted personnel (51 percent) would have fewer than three years of experience by 2012, compared with less than 45 percent of enlisted personnel in an all-volunteer force. Usually, greater accumulated knowledge and skills come with increased experience. As noted above, research has shown that military personnel with more than four years of service are 1.5 times more productive in certain jobs than personnel in their first term.<sup>96</sup> Another aspect of seniority is that certain military positions require advanced pay grades, which generally can be filled only by more-experienced personnel. Because most draftees leave after completing a two-year obligation, a draft might affect the services' ability to perform those functions efficiently.

In the fifth scenario, CBO assumed that only about 40,000 recruits would volunteer each year; the rest of the force would be drafted. Under those conditions, the Army would need as many as 94,000 draftees a year—nearly the average size of the Vietnam-era drafts from 1960 to 1962—to meet its end-strength target for 2012.<sup>97</sup> Total accessions (draftees and volunteers combined) would equal 134,000, about 50 percent more than the number required for an AVF of the same end strength. The concerns described above about the capacity of the Army's entrance-processing and training infrastructure would apply even more in this case. Additional investments in infrastructure might be necessary to accommodate accession cohorts of 134,000. Costs for training, and probably for base operating support, would increase as well.

Moreover, in scenario 5, draftees would make up about one-third of enlisted personnel by 2012. At that point, 57 percent of the enlisted force would have fewer than

three years of experience, compared with less than 45 percent of an all-volunteer enlisted force. Although that decreased seniority would reduce spending on military pay per person, it would also diminish the productivity of the force.

In its sixth and final scenario, CBO assumed that accessions would be almost wholly draftees; only 5,000 recruits would be volunteers. Although that scenario would probably not be able to meet the Army's requirements for experienced personnel, CBO included it to illustrate the trade-off between all-volunteer recruits and draftees. If continuation rates were the same as those assumed for the previous draft scenarios, the Army would need almost 165,000 draftees each year to reach a force size of 547,400 personnel by 2012. That level of inductees is almost double the number of recruits needed for an all-volunteer force of the same end strength. In addition, the average seniority of the force would decline substantially: Almost two-thirds of enlisted personnel would have fewer than three years of experience.

### **Budgetary Costs and Savings and Levels of Military Pay**

Reinstating the draft might increase some costs associated with military personnel, but on net, the result could be budgetary savings. With a less experienced force, spending on pay and benefits would be lower; those expenditures would decline further if the level of basic pay was cut. Spending on recruiting—such as advertising, numbers of recruiters, enlistment bonuses, and education programs—might be reduced as well. Savings in those areas would be at least partly offset by higher expenditures for training (including instructors' and students' salaries) and possibly for additional infrastructure.

Although including draftees in the force could yield budgetary savings, that force would not be as effective as if the same increase in end strength was achieved using only volunteers, because average seniority would fall. Producing an equally effective draft force would require having higher end strength than in an AVF, which would necessitate larger draft calls than those considered in the above scenarios.

Because the parameters of a draft are highly uncertain, CBO did not try to estimate the precise budgetary savings associated with any particular implementation of the

96. Warner and Asch, "The Economics of Military Manpower."

97. Because scenario 5 entails such a large shift between short-term draftees and longer-term obligations, the experience profile of the force would change significantly. Consequently, a steady state would not be reached until 20 years after the draft began. By that time, annual inductions would reach 112,000.

draft.<sup>98</sup> However, to indicate the maximum extent of possible savings, CBO has identified some of the most important activities whose costs would change under a draft Army and the amounts spent on them in 2006.

**Savings on Pay and Benefits.** Because a draft Army would experience higher turnover at the end of the first term of service, it would evolve into a force with lower average seniority than the current volunteer force. Total spending on basic pay—and on other types of pay or benefits that depend on members' length of service or rank—would decline. In addition, a smaller proportion of entering soldiers would remain in the Army until retirement, so less money would have to be accrued for military retirement pay and retiree health care.<sup>99</sup> Moreover, some elements of military pay, such as the basic allowance for housing, depend on family status. Because a less senior draft force would probably have a lower proportion of families than an AVF, spending on those elements of compensation would also decline. Under the draft scenarios discussed above, if the basic-pay table remained the same, declines in the average experience level of the force could save the active Army between \$800 million and \$1.1 billion a year from its military personnel accounts (excluding savings from reducing recruiting and retention incentives), CBO estimates. In all, the active Army spent about \$30 billion from its personnel accounts for enlisted service members in 2006, including supplemental funding.

98. The General Accounting Office (now the Government Accountability Office) conducted several studies estimating the budgetary costs and savings of moving to a draft force in the 1980s. As detailed in one of those studies, *The Military Draft: Potential Impacts and Other Issues* (March 1988), returning to a draft could generate either net savings or net costs depending on the assumptions used in analyzing the issue.

99. DoD makes payments from its military personnel appropriation into the Military Retirement Fund; those payments are calculated to accrue into a sum sufficient to fund future military retirement pay. The accrual (or "normal") rates could be reduced if fewer soldiers were expected to complete 20-year careers and thus qualify for regular (nondisability) retirement. However, a technical problem would arise because currently, the normal rates are the same for the active components of all four services, whereas a draft Army would experience the largest reduction in seniority. Similarly, DoD pays into the Medicare Eligible Retiree Health Care Fund to finance future health care costs of military retirees and their family members who are also eligible for Medicare (generally those at least age 65). The health care accrual rates could also be reduced, but the same technical issues would arise.

Some people might argue that to reap greater budgetary savings from a draft, military compensation could be reduced. Although fewer individuals might volunteer for service as military pay declined, the number of draftees could be increased. As noted above, military pay for Vietnam-era draftees was substantially below the amount that most inductees could have earned in the private sector. When the military moved from the draft to the AVF in the mid-1970s, basic pay for first-term personnel was roughly doubled to attract volunteers. Today, DoD's policies continue to emphasize having military pay be comparable to the earnings of similarly qualified civilians.<sup>100</sup> Instead, lawmakers could choose to hold basic pay fixed and allow its value to erode with inflation (to realize some savings), or they could opt to explicitly cut basic pay (for larger savings).

A cut in basic pay would most likely affect all four branches of the military, which have long shared the same basic-pay table (going back to the most recent draft era). For 2007, the four services have budgeted a total of nearly \$6 billion for basic pay for active-duty personnel in the three lowest pay grades (E-1 to E-3), which roughly correspond to the first two years of service. That sum represents an upper bound on possible savings from cutting basic pay for first-term personnel.<sup>101</sup> (Because volunteers would continue to hold the more senior positions in a mixed draft/volunteer force, few options might be available to reduce the pay of personnel with more than two years of service.)

**Savings on Recruiting.** In 2006, the Army spent \$353 million on enlistment bonuses, \$583 million on recruiting and advertising, and another \$700 million on

100. DoD's goal is that regular military compensation for enlisted personnel be at least equal to the 70th percentile of earnings for civilians of comparable age, education, and experience. According to DoD officials, the department has achieved that goal and is requesting a 3 percent increase in military basic pay in its 2008 budget to keep pace with private-sector wage growth. See the statement of David S.C. Chu, Under Secretary of Defense for Personnel and Readiness, Thomas F. Hall, Assistant Secretary of Defense for Reserve Affairs, and Stephen L. Jones, Principal Deputy Assistant Secretary of Defense for Health Affairs, before the Subcommittee on Personnel of the Senate Armed Services Committee, March 28, 2007.

101. Even if budgetary savings were realized, some people drafted into the military would not have been willing to serve voluntarily at those reduced pay levels. Those draftees would effectively be paying the in-kind tax described earlier.

pay and benefits for recruiters. Because it would probably still need some volunteers, the Army would be unlikely to eliminate enlistment bonuses or advertising under a draft. Nevertheless, those spending levels represent upper bounds on the possible savings on recruiting.<sup>102</sup>

As described above, the larger number of annual Army accessions necessary under a draft would require greater spending on military entrance-processing stations. The Army spent \$134 million on those stations in 2006.<sup>103</sup> CBO's draft scenarios involve up to a doubling of annual Army accessions. Annual costs for entrance processing would probably not double, however, because some portion of those costs are fixed and thus are unaffected by relatively small changes in the number of personnel who enter the service.

**Costs of Training.** Higher Army accessions would also increase both the variable and fixed costs of training personnel. Costs that vary directly with the number of trainees include the number of instructors required. Fixed costs include the costs of training ranges and schools, which would not vary with small changes in the number of trainees but would require expansion under a large change. CBO estimates that reinstating a draft under the scenarios above could result in additional costs of \$150 million to \$650 million for initial and occupational training and for construction and operation of barracks.

### Effective Time for Draftees to Be Available for Deployment

Aside from the larger number of accessions and less senior force implied by a draft, there are concerns about how long draftees would be available for deployment. On

entering the military, new recruits receive individual basic training (boot camp) and occupational training before being assigned to a unit. A unit nearing its deployment time also takes part in a series of collective training events, ranging from small-team training to battalion-size unit training. For occupations in combat-related fields, such as infantry and air defense, individual basic and occupational training lasts between 3.5 months and 7 months.<sup>104</sup> Unit training requires another 6 months, CBO estimates. Thus, allowing one month for transit (and assuming that training for recruits and units could be scheduled efficiently to minimize time spent waiting for training), CBO estimates that it would take 10.5 months to 14 months after recruits entered the military before they would be fully trained and available for deployment.

Those times would be identical for draftees and volunteers.<sup>105</sup> However, because draftees are assumed to serve for two years (as prescribed in current law), some inductees assigned to occupations that required the longer training times would not be available for a full one-year deployment. That limitation would exacerbate problems for the Army, which recently increased the typical deployment length from 12 months to 15 months. Personnel in the AVF, by comparison, serve longer terms and can be deployed for longer intervals—or multiple times during a single enlistment contract—for most occupational specialties.

### Equity Considerations

In CBO's draft scenarios, no more than 165,000 young people would be drafted annually. That number represents only a small portion of the recruit-age population in the United States—about 2 million young men turn 18 each year, and the total (male and female) population between the ages of 18 and 24 numbers roughly 30 million. Given that relatively few individuals would need to be drafted, who should be inducted to ensure that the system was equitable?

102. CBO's illustrative draft scenarios apply only to the Army. What effect such a draft would have on the recruiting success of the other services is difficult to estimate. On the one hand, any reduction in basic pay for first-term personnel would adversely affect recruiting by the Air Force, Marine Corps, and Navy. On the other hand, as was the case during the Vietnam War, some young people would probably prefer to enlist in the other services rather than be drafted, in hopes of securing a military occupation that deployed less frequently or that avoided front-line combat units. CBO has not tried to estimate the net effect of an Army draft on recruiting by the other services or the extra resources that those services would need to spend (or could save) to counteract the cross-service effect.

103. The Army serves as the executive agent in charge of entrance processing for the other services, so part of its \$134 million cost is attributable to that role.

104. Durations of basic and occupational training for various enlisted Army occupations are available at [http://usmilitary.about.com/od/enlistedjobs/Enlisted\\_Job\\_Descriptions\\_and\\_Qualification\\_Factors.htm](http://usmilitary.about.com/od/enlistedjobs/Enlisted_Job_Descriptions_and_Qualification_Factors.htm) or at [www.goarmy.com](http://www.goarmy.com) (under the Careers & Jobs tab).

105. That estimate excludes any time that volunteers may spend in the delayed-entry pool before reporting for basic training.



The random lottery required by current law would seem to yield a representative cross section of young men. However, the remaining system of exemptions or deferments would affect the representativeness of young people serving in the military. All of those aspects of current draft law would require legislation to change.

Presumably, lawmakers would want to avoid the public dissatisfaction and mistrust that was evident during some of the nation's previous experiences with conscription. However, if DoD had a ready supply of high-quality personnel available through the draft, it might wish to tighten AFQT standards. Alternatively, the nation might consider certain civilian occupations or activities of such

importance for domestic health and security that people engaged in them could be exempt from military service. Such actions, however, would most likely affect the representativeness of draftees.

Another equity-related consideration is the role of women in the military. A draft that was instituted under current law would cause the percentage of women in the services to decline (assuming that women did not volunteer at greater rates than in the recent past). Some observers might argue for legislation that would broaden the draft to include the registration and induction of women, despite existing restrictions that bar women from serving in units primarily engaged in ground combat.